

Sheridan Electric Trust, Inc.



Mission Statement And Bylaws

MISSION STATEMENT

The mission of Sheridan Electric Trust, Inc. is the accumulation and disbursement of Operation Round Up funds for charitable purposes in the Sheridan Electric Cooperative Inc.'s service territory.

This shall be accomplished by disbursing funds to non-profit and community organizations in the general service area of Sheridan Electric Cooperative, Inc., solely for charitable purposes. No funds shall be used for political purposes.

This statement may be modified by a two-thirds vote of the entire Board of Trustees.

SHERIDAN ELECTRICT TRUST, INC.

BYLAWS

ARTICLE I

NAME OF ORGANIZATION

The name of the organization shall be the Sheridan Electric Trust, Inc., herein below referred to as the "TRUST".

ARTICLE II

PURPOSE OF ORGANIZATION

The purpose of the TRUST shall be the accumulation and disbursement of Operation Round Up funds for charitable purposes in the service area of Sheridan Electric Cooperative, Inc.

ARTICLE III

FUNDING

The TRUST shall be funded by contributions in accordance with such rules and regulations as may be promulgated by the Board of Directors of Sheridan Electric Cooperative, Inc. and from any other source of available funds.

ARTICLE IV BOARD OF TRUSTEES

The TRUST shall be administered by no less than seven (7), no more than nine (9) person Board of Trustees and the Sheridan Electric Cooperative, Inc. representative. The Board of Trustees may have one (1) permanent resident from each of the nine (9) Districts. To facilitate the staggering of terms upon adoption of these By-laws, three of the initial Board of Directors shall be elected for terms of one year, three of the initial Board of Trustees shall be elected for a term of two years, and three of the initial Board of Trustees shall be elected for a term of three years. Except to facilitate the initial staggering of terms, Trustees shall be elected for a term of three (3) years. At the expiration of his or her term, a Trustee may be reelected for an additional three (3) year term, but may not serve more than two (2) consecutive terms unless approved by a two-thirds vote of the entire Board of Trustees. A Trustee serving as an officer of the Board shall remain a Trustee until the completion of his or her term of office.

ARTICLE V QUALIFICATIONS OF BOARD MEMBERSHIP

A Board member of the TRUST shall be at least eighteen (18) years of age; a current Sheridan Electric Cooperative, Inc. member; and a permanent resident of the district from which he/she is chosen. No person seeking or holding a seat on the Board of Directors of Sheridan Electric Cooperative, Inc shall be eligible to serve on the TRUST Board.

ARTICLE VI SELECTION OF BOARD OF TRUSTEES

The initial Board of Trustees shall be designated by the Board of Directors of Sheridan Electric Cooperative, Inc. Thereafter, when vacancies are to be filled or terms expire, Trustees shall be named by a majority vote of the Board of Directors of Sheridan Electric Cooperative, Inc.

The existing Board of Trustees may make recommendations to the Board of Directors of Sheridan Electric Cooperative, Inc. for nominees for the TRUST Board.

ARTICLE VII COMPENSATION FOR TRUSTEES

Each board of trustees who travels on behalf of Operation Round Up may be reimbursed for mileage. These expenses will be deducted from the Operation Round Up Trust.

ARTICLE VIII MEETING OF THE BOARD OF TRUSTEES

A. REGULAR MEETING: The Board of Trustees shall meet quarterly at an agreed-upon time at Sheridan Electric Cooperative, Inc.'s corporate headquarters in Medicine Lake, MT or such place designated by the Board. The Board of Trustees may meet at such other times as they may deem at their discretion, necessary. Attendance by electronic means is permissible, i.e., phone or video conference.

B. SPECIAL MEETINGS: Special meetings of the Board of Trustees may be called by the President or by any three (3) Trustees, and it shall thereupon be the duty of the Secretary to cause a Notice of such meeting to be given as hereafter provided. The President or Trustees calling such a meeting shall fix the time and place. Attendance by electronic means is permissible i.e., phone or video conference.

C. NOTICE OF TRUSTEES MEETING: Written notice of the time and place of regular and special meetings of the Board of Trustees shall be delivered to members of the Board not less than five (5) days prior thereto, either personally, by mail, by e-mail, or at the direction of the Secretary/Treasurer, and upon default in that duty by the Secretary/Treasurer, then by the President or the Trustees calling for such meeting.

ARTICLE IX QUORUM

A majority of the Board of Trustees shall, unless otherwise designated in these

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

ARTICLE X REMOVAL OF BOARD MEMBER

Any member of the Board of Trustees shall automatically cease to be a member if such member misses three (3) successive "regular" meetings as outlined in Section "A" of Article VIII of these By-Laws. Any members of the Board of Trustees may otherwise be removed for cause from the Board by a two-thirds (2/3) vote of the entire Board of Trustees or the Sheridan Electric Cooperative, Inc Board of Directors.

ARTICLE XI OFFICERS OF THE CORPORATION

The officers of the TRUST shall be a President, a Vice President, a Secretary/Treasurer, and such other officers as may be determined by the Board from time to time.

ARTICLE XII ELECTION OF OFFICERS AND TERMS OF OFFICE

The officers shall be elected on an annual basis by the Board of Trustees at a meeting of the Board of Trustees. The term of office shall be for one (1) year, however, nothing shall prevent an officer from being re-elected to consecutive terms of office.

ARTICLE XIII
EX OFFICIO MEMBERS OF BOARD OF TRUSTEES

A representative of Sheridan Electric Cooperative, Inc shall be an ex officio member of the Board of Trustees and will serve any role as designated by the Board of Trustees. The TRUST may from time to time have other such ex officio members as the Board of Trustees may in its discretion determine as necessary or prudent.

ARTICLE XIV
POLICIES, RULES AND REGULATIONS

The Board of Trustees shall have the power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation or these By-Laws, as it may deem advisable for the management, administration and regulation of the business and affairs of the TRUST.

ARTICLE XV
DUTIES OF OFFICERS

A. PRESIDENT: The President shall be the principal executive officer of the TRUST and, unless otherwise determined by the Board of Trustees, shall preside at all meetings of the Board of Trustees and in general perform all duties incidental to the office of President and such other duties as may be prescribed by the Board of Trustees from time to time.

B. VICE PRESIDENT: In the absence of the President, or in the event of his 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 by the Board of Trustees.

C. SECRETARY/TREASURER: The Secretary/Treasurer shall be responsible for the keeping of the minutes of the meetings of the members and of the Board of Trustees in one or more books provided for that purpose; be responsible for

seeing that all notices are duly given in accordance with these By-Laws or as required by Law; be custodian of the corporate records; have general charge of the books of the TRUST; be responsible for the keeping on file at all times a complete copy of the Articles of Incorporation and By-Laws of the TRUST containing all amendments thereto.

The Secretary/Treasurer shall also have charge and custody of and be responsible for all funds and securities of the Trust; be responsible for the receipt of and the issuance of receipts for monies due and payable to the TRUST from any source whatsoever, and for the deposit of all such monies in the name of the TRUST in such bank or banks as shall be selected in accordance with the provisions of these By-Laws; and in general perform all the duties incidental to the office of Secretary/Treasurer and such other duties as from time to time may be assigned by the Board of Trustees. The Secretary/Treasurer may delegate the day-to-day record keeping duties of the office to a person of good moral character provided that regular reports are received and shared with the Board of Trustees.

ARTICLE XVI CHECK SIGNING

Any and all checks issued by the TRUST, for any purpose, shall be signed by two (2) officers.

ARTICLE XVII DISBURSEMENT OF FUNDS

Except as otherwise provided by these By-Laws, the Board of Trustees of the TRUST shall have the full and sole responsibility for the disbursement of all monies of the TRUST in accordance with these By-Laws and the policies as adopted by the Board of Trustees. Prior to the consideration, by the Board of Trustees, of any disbursement, member(s) of the Board of Trustees shall disclose and explain any personal and/or business interest, connection, kinship, or other association he or she has with the person, group, corporation or other entity under consideration for funding by the TRUST. Such member shall excuse

himself or herself from the meeting and not participate in the discussion of or voting on the disbursement.

ARTICLE XVIII ACCUMULATION OF FUNDS

The TRUST shall receive funds that have been collected for the benefit of the TRUST by Sheridan Electric Cooperative, Inc. The transfer of these funds shall be on a regular basis, but in no event less than quarterly. The TRUST may also solicit and accept contributions from other sources as deemed appropriate by its Board of Trustees.

ARTICLE XIX INVESTMENT OF FUNDS

The Board of Trustees shall be responsible for the funds entrusted to it and shall make such investment of funds in a manner which is reasonable and prudent and in keeping with these By-Laws and the policies of the TRUST.

ARTICLE XX AMENDMENT OF BY-LAWS

These By-Laws may be altered, amended, or repealed by the Board of Directors of Sheridan Electric Cooperative, Inc at any regular meeting of said Board after at least ten (10) days' notice. The Board of Trustees may make advisory recommendations to the Board of Directors of Sheridan Electric Cooperative, Inc.

ARTICLE XXI ACCOUNTING SYSTEM & REPORTS

The Board of Trustees will establish and maintain an accounting system such that is in keeping with sound financial management and the Board of Trustees shall make reports to the Board of Directors of Sheridan Electric Cooperative, Inc on the operation and expenditures of the TRUST as may be necessary and prudent, but in no case less than annually.

**ARTICLE XXII
POLITICAL CONTRIBUTIONS**

No funds of the TRUST shall in any fashion be used to support any candidate for political office or for any political purpose.

**ARTICLE XXIII
BORROWING FUNDS**

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

**ARTICLE XXIV
EMERGENCY EXPENDITURE**

The TRUST by a vote of at least two-thirds (2/3) of its members may from time to time make expenditures on an emergency basis, in accordance with these By-Laws; and policies adopted by the Board of Trustees; and in accordance with the purpose of this TRUST, in an amount not exceeding ONE THOUSAND FIVE HUNDRED (\$1,500.00) DOLLARS to any group, organization, charity or like organization.

**ARTICLE XXV
AMOUNT OF EXPENDITURES**

UNLESS otherwise provided by these By-Laws and in keeping with the purpose of this trust the Board of Trustees may make annual expenditures of TRUST funds by majority vote of members present at a meeting and constituting a quorum not to exceed ONE THOUSAND FIVE HUNDRED (\$1,500.00) DOLLARS annually to any group, organization, charity or like organization.

**ARTICLE XXVI
EXPENDITURES EXCEEDING ONE THOUSAND FIVE HUNDRED (\$1,500.00) DOLLARS**

Notwithstanding any other provision of these By-Laws the Board of Trustees may, by a unanimous vote of the entire Board of Trustees, make expenditures in any amount to any group, organization, charity or like organization which such members determine is in keeping with the purpose and spirit of the TRUST and these By-Laws.

**ARTICLE XXVII
RETENTION OF FUNDS**

Funds will be retained in an interest-bearing checking account, maintaining a balance to keep the account active.

**ARTICLE XXVIII
PROXY VOTING**

Proxy voting shall not be permitted at any meeting of the Board of Trustees.

**ARTICLE XXIX
AUDIT**

The Board of Trustees shall on an annual basis cause the books and records of the TRUST to be audited by a certified public accountant and a report in keeping with sound accounting principles be issued to the Board of Trustees and the Board of Directors of Sheridan Electric Cooperative, Inc.

**ARTICLE XXX
FISCAL YEAR**

The Fiscal Year of the TRUST shall commence on the 1st day of January of each calendar year and end on the 31st day of December of each calendar year.

ADOPTED: _____

SIGNATURE: _____

SIGNATURE: _____