

Bylaw updates

The fair representation by the Board of Directors of the co-op members is an integral part of the co-op model. The democratic process in place for each member being represented by a director in that district is fundamental to the operation of Jo-Carroll Energy. This Bylaw amendment provides flexibility and guidance to the Board of Directors in the event that a vacancy occurs during the term of a Board of Director. It also further clarifies and deletes dates and events that have already passed and are no longer necessary to be in the Bylaws.

Changes to bylaws in red.

Section 2. Director Districts. The Cooperative may equitably divide the general area in which Members are located or reside ("Cooperative Service Area") into ten (10) districts ("Director Districts"). If necessary, the Board may revise the Director District to ensure that Members are equitably represented by the Director Districts.

~~One of said ten (10) districts shall be identified as the Farmers District and shall be comprised of the area formerly served by the electric cooperative known as Farmers Mutual Electric Company near Geneseo, Illinois, as well as any areas surrounding said service area added to the Farmers District after the merger of the Cooperative and Farmers Mutual Electric Company.~~

Within thirty (30) days following any Director District revision, and at least thirty (30) days before the next Annual Member Meeting, the Cooperative shall notify, in writing, any Members affected by the Director District revision. Director District revisions are effective on the date the Cooperative releases written notice of the Director District revision. No Director District revision may:

- (a) Increase an existing Directors' Director Term; or
- (b) Unless the affected Director consents in writing, shorten any existing Director's Director Term.

Section 3. Board.

- (a) The Cooperative shall have a board consisting of one natural person for each director district elected by the Class A and Class B members located or residing in each respective director district. ~~Due to the merger of the Cooperative and Farmers Mutual Electric Company, the following special schedule of directors to represent the Farmers District described in Section 2 of this Article shall be followed:-~~

(b) Reduction in Districts

In the event a vacancy occurs on the board during an existing term, the Board of Directors may choose not to fill the board vacancy and instead reduce the number of Director Districts. The cooperative shall notify, in writing, any members affected

by the reduction in Director Districts within thirty (30) days following the decision by the Board of Directors to reduce the number of Director Districts and at least thirty (30) days before the next annual meeting. A Director may not resign after the date that petitions for nominations are submitted as set forth in Section 5.

- ~~(b) For years 2013, 2014 and until the Annual Meeting of the Cooperative in 2015, three (3) directors shall be appointed by the Board of Directors of Farmers Mutual Electric Company prior to said merger who shall serve as directors of the Cooperative for the Farmers District; and~~
- ~~(c) Beginning with the Annual Meeting of the Cooperative in 2015 and until the Annual Meeting of the Cooperative in 2018, two (2) directors shall represent the Farmers District who shall be duly elected by the members of the Farmers District at the election of directors to be held immediately prior to the Annual Meeting of the Cooperative in 2015; and~~
- ~~(d) Beginning with the Annual Meeting of the Cooperative in 2018 and until the Annual Meeting of the Cooperative in 2021, one (1) director shall represent the Farmers District for a three (3) year term who is duly elected by the members of the Farmers District at the election of directors to be held immediately prior to the Annual Meeting of the Cooperative in 2018; and~~
- ~~(e)(c) Beginning in 2021 and thereafter, one (1) director of the Farmers District shall be elected for three (3) year terms as all other directors of the Cooperative are elected.~~

Section 4. Tenure and Qualifications.

- (a) **Tenure.** Directors shall be elected for ~~three~~ **three-year** terms on a staggered basis so that; ~~except for the Farmers District as discussed in Sections 2 and 3 of this Article,~~ no more than ~~three~~ **four** of such terms shall expire at each annual meeting. Each director elected shall serve until the annual meeting when the term expires, or until the successor is elected and qualified, subject to the provisions of these bylaws with respect to the removal of directors.

Dear valued member,

It was brought to our attention that a formatting issue on page 16 of the Jo-Carroll Energy 2023 Annual Report created typos and certain language not to be stricken within the proposed Bylaw changes.

On the inside of this mailing, you will find the corrected proposed Bylaw changes in their intended format. A digital copy of the full report is also available at www.jocarroll.com, and corrected copies will be available at our 2023 Annual meeting being held:

Monday, June 5

West Carroll High School | 500 Cragmoor St | Savanna, IL

Doors open at 4:30 p.m. | Business meeting 6:00 p.m. | Dinner at 7:00 p.m.



Jo-Carroll Energy

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to Bylaw changes in the Annual Report

IMPORTANT UPDATE

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