BYLAWS

OF

LA JICARITA RURAL

TELEPHONE COOPERATIVE

ADOPTED SEPTEMBER 18, 1962

AMENDED SEPTEMBER 14, 1970

AMENDED SEPTEMBER 11, 1972

AMENDED SEPTEMBER 13, 1976

AMENDED AUGUST 11, 1979

AMENDED SEPTEMBER 13, 1980

AMENDED SEPTEMBER 09, 1995

AMENDED SEPTEMBER 10, 2005

AMENDED SEPTEMBER 08, 2007

MORA, NEW MEXICO

**ARTICLE I**

**MEMBERSHIP**

Section 1. ***Requirements for Membership***. Any person, firm, association, corporation, or body politic or subdivision thereof may become a member of La Jicarita Rural Telephone Cooperative, called the “Co-op” by:

1. Making a written application for membership therein;
2. Agreeing to purchase from the Co-op telephone service as hereinafter specified;
3. Agreeing to comply with and be bound by the Articles of Incorporation and Bylaws of the Co-op and any rules and regulations adopted by the Directors (hereinafter called the “Board”); and
4. Agreeing to pay the membership fee hereinafter specified on uniform terms and conditions established by the Board;

provided, however, that agreement to pay or payment of the membership fee in accordance with the provisions of these bylaws by a landlord on behalf of an applicant for membership who is a tenant occupying premises owned by such landlord and served by the Co-op shall constitute compliance by such applicant with subdivision (d) of this Section; and provided further, however, that no person, firm, association, corporation or body politic or subdivision thereof shall become a member unless and until he or it has been accepted for membership by the Board or the members. No member may hold more than one membership in the Co-op, and no membership shall be transferable, except as provided in these bylaws.

Beginning six months after the date of incorporation, all applications received more than thirty days prior to each meeting of the members which have not been accepted or which have been rejected by the Board shall be submitted by the Secretary to such meeting and, subject to compliance by the applicant with the requirements hereinabove set forth, any such application may be accepted by vote of the members. The Secretary shall give each such applicant at least ten days’ written notice of the date of the members’ meeting to which his application will be submitted and such applicant shall be entitled to be present and heard at the meeting.

Section 2. ***Membership Certificates*.** Membership in the Co-op shall be evidenced by a membership certificate which shall be in such form and shall contain such provisions as shall be determined by the Board. Such certificate shall be signed by the President and by the Secretary and the corporate seal shall be affixed thereto. No membership certificate shall be issued for less than the membership fee fixed in

these bylaws, nor until such membership fee has been fully paid. In case a certificate is lost, destroyed or mutilated a new certificate may be issued therefore upon such uniform terms and indemnity to the Co-op as the Board may prescribe.

Section 3. ***Joint Membership***. A husband and wife may be accepted into joint membership unless both specifically request otherwise in writing, or, if one of them is automatically converted into a joint membership unless both specifically request otherwise in writing. The words “member,” “applicant,” “person,” “his,” “him,” or “her,” as used in these Bylaws shall include a joint membership, unless otherwise clearly distinguished in the text; and all provisions relating to the rights, powers, terms, conditions, obligations, responsibilities and liabilities of membership shall apply equally, severally and jointly to them. Without limiting the generality of the foregoing:

1. The presence at a meeting of either or both shall constitute the presence of one member and joint waiver of notice of the meeting;
2. The vote of either or both shall constitute respectively one joint vote;
3. Notice to, or waiver of notice signed by either or both shall constitute respectively, a joint notice or waiver of notice;
4. Suspension or termination in any manner of either shall constitute a suspension or termination of the joint membership;
5. Either, but not both concurrently, shall be eligible to serve as a director of the Cooperative, but only if both meet the qualifications required therefore; and,
6. Neither will be permitted to have any additional service connections except through their one joint membership.

Section 4. ***Conversion of Membership***.

1. A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse to comply with the Articles of Incorporation, bylaws, and any rules and regulations adopted by the Board. The outstanding membership certificate shall be surrendered, and shall be reissued by the Co-op in such manner as shall indicate the changed membership status.
2. Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely

by the survivor. The outstanding membership certificate shall be surrendered, and shall be reissued in such manner as shall indicate the changed membership status, provided, however, that the estate of the deceased shall not be released from any debts due the Co-op.

Section 5. ***Membership and Service Connection Fees***. The membership fee shall be Ten--- Dollars, refundable as elsewhere provided in these bylaws.

Section 6. ***Purchase of Telephone Service***. Each member shall, as soon as telephone service is available, take telephone service from the Co-op to be used on the premises specified in his application for membership, and shall pay therefore monthly at rates which shall from time to time be fixed by the Board; provided, however, that the Board may limit the amount of telephone service which the Co-op shall be required to furnish to any one member. It is expressly understood that amounts paid for telephone service in excess of the cost of service are furnished by members as capital and each member shall be credited with the capital so furnished as provided in these bylaws. Each member shall pay to the Co-op such minimum amount per month for telephone service as shall be fixed by the Board from time to time. Each member shall also pay all amounts owed by him to the Co-op as and when the same shall become due and payable.

Section 7. ***Termination of Membership***.

1. 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 two-thirds of all the Directors, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, Bylaws, or any rules and regulations adopted by the Board, but only if such member shall have been given written notice by the Secretary 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. The membership of a member who has not permitted the

installation of service within (30) days after he has been notified service is available to him, or of a member who

has ceased to purchase telephone service from the Co-op, shall be cancelled by resolution of the Board.

1. Upon the withdrawal, death, cessation of existence or expulsion of a member the membership of such member shall thereupon terminate, and the membership certificate of such member shall be surrendered forthwith to the Co-op. Termination of membership in any manner shall not release a member or his estate from any debts due to the Co-op.
2. If a membership fee has been paid by a landlord on behalf of his tenant, upon the removal of such tenant from the premises of the landlord, the membership of such tenant shall terminate.
3. Upon termination of membership for any reason, the Co-op shall not repay to the member or to his landlord, in case the membership fee shall have been paid on behalf of the member by his landlord, the amount of membership fee paid unless a successor in occupancy or ownership of the premises served by the Co-op shall have been accepted as a member and a membership fee shall have been paid by or on behalf of such successor in accordance with the provisions of these bylaws. Any refund of membership fees pursuant to this subsection shall be made in the order in which memberships shall have been terminated. Prior to the repayment of a membership fee paid by the member, the Co-op shall deduct from the amount of such membership fee the amount of any debts owing from the member to the Co-op.

**ARTICLE II**

**RIGHTS & LIABILITIES OF MEMBERS**

Section 1. ***Property interest of members***. Upon dissolution, after (a) all debts and liabilities of the Co-op shall have been paid, (b) all capital furnished through patronage shall have been retired as provided in these bylaws, and (c) all membership

fees have been repaid, the remaining property and assets of the Co-op shall be distributed among the members and former members in the proportion which the

aggregate patronage of each member bears to the total patronage of all such members, unless otherwise provided by law.

Section 2. ***Non-liability for debts of the Co-op***. The private property of the members shall be exempt from execution or other liability for the debts of the Co-op and no member shall be liable or responsible for any debts or liabilities of the Co-op.

**ARTICLE III**

**MEETING OF MEMBERS**

Section 1. ***Annual meeting***. The annual meeting of the members shall be held on the 2nd Saturday in September of each year beginning with the year 1980, at such place in the County of Mora, State of New Mexico, as shall be designated in the notice of the meeting for the purpose of electing trustees, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the Board to make adequate plans and preparations for the annual meeting. If the day fixed for the annual meeting shall fall on a Sunday or legal Holiday, such meeting shall be held on the next succeeding business day. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Co-op.

Section 2. ***Special Meetings***. Special meetings of the members may be called by resolution of the Board, or upon a written request signed by any three Directors, by the President, or by not less than 200 members or ten per centum 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 any place within the County of Mora, State of New Mexico, specified in the notice of special meetings.

Section 3. ***Notice of Members’ Meetings***. Written 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 days nor more than twenty days before the date of the meeting, either personally or by 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 United States mail, addressed to the member at his address as it appears on the records of the Co-op, with postage thereon prepaid. The

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 4. ***Quorum****.* As long as the total number of members does not exceed five hundred, ten per centum of the total number of members present in person shall constitute a quorum. In case the total number of members shall exceed five hundred, fifty members or two per centum of the members present in person, whichever shall be the larger, shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice. The minutes of each meeting shall contain a list of the members present in person.

Section 5. ***Voting.*** Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. All questions shall be decided by a vote of a majority of the members voting thereon in person except as otherwise provided by law, the Articles of Incorporation or these bylaws.

Section 6. ***Order of Business***. The order of business at the annual meeting of the members and, so far as possible, at all other meetings of the members, shall be essentially as follows, except as otherwise determined by the members at such meeting:

* 1. Report on the number of members present in person in order to determine the existence of a quorum.
  2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
  3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
  4. Presentation and consideration of reports of officers, directors and committees.
  5. Election of Directors.
  6. Unfinished business.
  7. New business.
  8. Adjournment.

ARTICLE IV

DIRECTORS

Section 1. ***General Powers***. The business and affairs of the Co-op shall be managed by a board of seven directors which shall exercise all of the powers of the Co-op except such as are by law, the Articles of Incorporation or these By-Laws conferred upon or reserved to the members.

Section 2. ***Directors shall be elected by secret ballot***. The form of ballot shall be prescribed by the directors. Election shall be by a plurality vote. In case of tie high vote, the winner shall be determined by lot.

Section 3. ***Directors shall be elected for a term of three (3) years***. Directors and successors to directors that were elected at the September 14, 1970 annual meeting and whose terms were determined by lot shall continue as directors for their respective current terms. Thereafter at each annual election, directors whose term will expire shall be elected for terms of three (3) years.

Section 4. ***District Representation***. At the 1976 annual meeting and thereafter, directors whose term expires shall be elected so that four (4) shall be from the Mora Exchange and three (3) from the Wagon Mound Exchange; of the three Wagon Mound Exchange members, one (1) shall be from the Ocate area. The Ocate area is defined as all service area which lies fifteen (15) miles west of Wagon Mound City Limits.

Section 5. ***Eligibility.*** To be eligible to become or remain a director of the Co-op a person:

1. must be a member of the Cooperative and reside in the service area from which he is a candidate, as specified in Section 4 of this Article;
2. shall not be employed by or have a financial interest in an enterprise engaged in competition with Co-op, other than a business operating on a cooperative non-profit basis for the purpose of furthering rural telephony. Competing enterprise shall include selling of telephone supplies and service, construction and maintenance of telephone plant and related facilities;
3. shall not have been employed by the Cooperative in any capacity within the previous three years;
4. shall not be a former Cooperative employee whose employment was terminated for cause.

Upon establishing of the facts that a director is holding office in violation of any of the foregoing provisions, the Board shall remove such director from office.

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

Section 6. ***Nominations.*** It shall be the duty of the Board to appoint, not less than forty (40) nor more than seventy (70) days before the date of a meeting of the members at which directors are to be elected, a committee on nominations consisting of not less than five nor more than seven members who shall be selected from different sections so as to insure equitable representation. No member of the Board may serve on such committee. The committee, keeping in mind the principle of geographical representation, shall prepare and mail at least thirty (30) days before the meeting a list of nominations for directors which shall include at least one candidate for each trustee to be elected. Any fifteen or more members acting together may make other nominations by petition not less than twenty (20) days prior to the meeting and the secretary shall post such nominations at the principle office of the Cooperative. The Secretary shall mail with the notice of the meeting or separately, but at least ten days before the date of the meeting, a statement of the number of directors to be elected and the names and addresses of candidates, specifying separately the nomination made by the committee and the nominations made by petition, if any. The ballot to be used at an election shall list the names of the candidates nominated by the committee and the names of the candidates nominated by petition, if any. No member may nominate more than one candidate.

Section 7. ***Removal of Directors by Members***. Any member may bring charges against a director and, by filing with the Secretary such charges in writing together with a petition signed by at least ten per centum of the members, or two hundred members, whichever is the lesser, may request the removal of such director by reason thereof. Such director shall be informed in writing of the charges at least ten 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 and to present evidence in respect of the charges; and, the person or persons bringing the charges against him shall have the same opportunity. The question of the removal of such director shall be considered and voted upon at the meeting of the

members and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nominations.

Section 8. ***Vacancies****.* Subject to the provisions of these By-Laws with respect to the filling of vacancies caused by the removal of directors by the members, a vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining directors for the unexpired portion of the term, provided, however, that in the event the vacancy is not filled by the Board within sixty (60) days after the vacancy occurs, the members shall have the right to fill such vacancy at a meeting of the members without compliance with the foregoing provisions in respect to nominations.

Section 9. ***Compensation.*** Each director shall be limited to receive per diem and mileage for attendance at each meeting of the Board of Directors as provided in the Per Diem and Mileage Act [ 10-8-1 to 10-8-8, N.M.S.A. 1978] of the State of New Mexico, and shall receive no other compensation, salary or allowance for attendance at meetings.

No director shall receive compensation for serving the Co-op in any other capacity, nor shall any close relative of a director receive compensation for serving the Co-op, unless the payment and amount of compensation shall be specifically authorized by a vote of the members or the service by such director or close relative shall have been certified by the Board as an emergency measure.

**ARTICLE V**

**MEETINGS OF DIRECTORS**

Section 1. ***Regular Meetings***. A regular meeting of the Board shall be held without notice, immediately after, and at the same place as, the annual meeting of the members. A regular meeting of the Board shall also be held monthly at such time and place in Mora County, New Mexico, as the Board may provide by resolution. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof.

Section 2. ***Special Meetings***. Special meetings of the Board may be called by the President or by any three Directors, 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 the Directors calling the meeting shall fix the time and place (which shall be in Mora County, New Mexico), for the holding of the meeting.

Section 3. ***Notice of Directors’ Meetings***. Written notice of the time, place and purpose of any special meeting of the Board shall be delivered to each director not less than five days previous thereto either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President or the directors calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his address as it appears on the records of the Co-op, with postage thereon prepaid.

Section 4. ***Quorum***. A majority of the Board shall constitute a quorum, provided, that if less than such majority of the directors is present at said meeting, a majority of the trustees present may adjourn the meeting form time to time; and provided further, that the Secretary shall notify any absent directors of the time and place of such adjourned meeting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board.

**ARTICLE VI**

**OFFICERS**

Section 1. ***Number*.** The officers of the Co-op 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 of Treasurer may be held by the same person.

Section 2. ***Election and Term of Office***. The officers shall be elected by ballot, annually by and from the Board at the meeting of the Board held immediately 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 his successor shall have been elected and shall have qualified. Except as otherwise provided in these bylaws, the vacancy in any office shall be filled by the Board for the unexpired portion of the term.

Section 3. ***Removal of Officers and Agents by Directors***. Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Co-op will be served thereby. In addition, any member of the Co-op may bring charges against an officer, and by filing with the

Secretary such charges in writing together with a petition signed by ten per centum of the members, or two hundred members, whichever is the lesser, may request the

removal of such officer. The officer against whom such charges have been brought shall be informed in writing of the charges at least ten 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 shall have the same opportunity. In the event the board does not remove such officer, the question of his removal shall be considered and voted upon at the next meeting of the members.

Section 4. ***President****.* The President shall:

1. be the principal executive officer of the Co-op and, unless otherwise determined by the members or the Board, shall preside at all meetings of the members and the Board.
2. Sign, with the Secretary, certificates of membership, the issue of which shall have been authorized by the Board or the members and may 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 Co-op, 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 5. ***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.

Section 6. ***Secretary.*** The Secretary shall:

1. Keep the minutes of the meetings of the members and of the Board in one or more books provided for that purpose;

(b) see that all notices are duly given in accordance with these bylaws or as required by law;

(c) be custodian of the corporate records and of the seal of the Co-op and affix the seal of the Co-op to all certificates of membership prior to the issue thereof and to all documents, the execution of which on behalf of the

Co-op under its seal is duly authorized in accordance with the provisions of these bylaws;

1. keep a register of the names and post office addresses of all members;
2. sign, with the President, certificates of membership, the issue of which shall have been authorized by the Board or the members;
3. have general charge of the books of the Co-op;
4. keep on file at all times a complete copy of the Articles of Incorporation and bylaws of the Co-op containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Co-op, forward a copy of the bylaws and of all amendments thereto each member; and
5. in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board.

Section 7. ***Treasurer.*** The Treasurer shall:

1. have charge and custody of and be responsible for all funds and securities of the Co-op;
2. be responsible for the receipt of and the issuance of receipts for all moneys due and payable to the Co-op and for the deposit of all such moneys in the name of the Co-op in such bank or banks as shall be selected in accordance with the provision of these bylaws; and
3. in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the

Board.

Section 8. ***Manager*.** The Board may appoint a manager who may be, but who shall not be required to be, a member of the Co-op. The manager shall perform such duties and shall exercise such authority as the Board may from time to time vest in him.

Section 9. ***Bonds of Officers***. The Treasurer and any other officer or agent of the Co-op charged with responsibility for the custody of any of its funds or property shall 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 Co-op to give bond in such amount and with such surety as it shall determine.

Section 10. ***Compensation*.** The powers, duties and compensation of officers, agents and employees shall be fixed by the Board, subject to the provisions of these bylaws with respect to compensation for directors and close relatives of directors.

Section 11. ***Reports*.** The officers of the Co-op shall submit at each annual meeting of the members reports covering the business of the Co-op for the previous fiscal year. Such reports shall set forth the condition of the Co-op at the close of such fiscal year.

**ARTICLE VII**

**NON-PROFIT OPERATION**

Section 1. ***Interest or Dividends on Capital Prohibited***. The Co-op shall at all time be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Co-op on any capital furnished by its patrons.

Section 2. ***Patronage Capital in Connection with Furnishing Telephone Service***. In the furnishing of telephone service the Co-op’s operations shall be so conducted that all patrons will through their patronage furnish capital for the Co-op. In order to induce patronage and to assure that the Co-op will operate on a non-profit basis the Co-op is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the furnishing of telephone service in excess of operating costs and expenses properly chargeable against the furnishing of telephone service. All such amounts in excess of operating costs and expenses at the moment of receipt by the Co-op are received with the understanding that they are furnished by the patrons as capital. The Co-op is obligated to pay by credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books and records of the Co-op shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Co-op shall, within a reasonable time after the close of the fiscal year, notify each patron of the amount of capital so credited to his account. All such amount credited to the capital account of any patron shall have the same status as though

they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Co-op corresponding amounts for capital.

In the event of dissolution of liquidation of the Co-op, after all outstanding indebtedness of the Co-op shall have been paid, 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. If, at any time prior to dissolution or liquidation, the Board shall determine that the financial condition of the Co-op will not be impaired

thereby, the capital then credited to patrons’ accounts may be retired in full or in part. Any such retirements of capital shall be made in order of priority according to the year in which the capital was furnished and credited, the capital first received by the Co-op being first retired.

Capital credited to the account of each patron shall be assignable only on the books of the Co-op, pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or a part of such patron’s premises served by the Co-op unless the Board, acting under policies of general application, shall determine otherwise.

Not withstanding any other provision of these bylaws, the Board, at its discretion, shall have the power at any time upon the death of any patron, if the legal representatives of his estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, to retire capital credited to any such patron immediately upon such terms and conditions as the Board acting under policies of general application, and the legal representatives of such patron’s estate shall agree upon; provided, however, that the financial condition of the Co-op will not be impaired thereby.

The patrons of the Co-op, by dealing with the Co-op, acknowledge that the terms and provisions of the Articles of Incorporation and bylaws shall constitute and be a contract between the Co-op and each patron, and both the Co-op and patrons are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions. The provisions of this article of the bylaws shall be called to the attention of each patron of the Co-op by posting in a conspicuous place in the Co-op’s office.

**ARTICLE VIII**

**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 there from, all upon such terms and conditions as the Board shall determine, to secure any indebtedness of the Co-op to the United States of America or any instrumentality or agency thereof; provided further that the Board may upon the authorization of a majority of those members of the Co-op present at a meeting of t he 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 is incorporated.

**ARTICLE IX**

**SEAL**

The corporate seal of the Co-op shall be in the form of a circle and shall have inscribed thereon the name of the Co-op and the words “Corporate Seal State of New Mexico.”

**ARTICLE X**

**FINANCIAL TRANSACTIONS**

Section 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 Co-op, and such authority may be general or confined to specific instances.

Section 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 Co-op shall be signed by such officer or officers, agent or agents, employee or employees of the Co-op and in such manner as shall form time to time be determined by resolution of the Board.

Section 3. ***Deposits.*** All funds of the Co-op shall be deposited from time to time to the credit of the Co-op in such bank or banks as the Board may select.

Section 4. ***Change in Rates***. Written notice shall be given to the Administrator of REA of the United States of America not less than ninety days prior to the date upon which any proposed change in the monthly rates charged by the Co-op for telephone service becomes effective.

Section 5. ***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 XI**

**MISCELLANEOUS**

Section 1. ***Membership in Other Organizations***. The Co-op shall not become a member of or purchase stock in any other organization without an affirmative note of the members at a duly held meeting, the notice of which shall specify that action is to be taken upon such proposed membership or stock purchases, provided, however, that the Co-op may upon the authorization of the Board, purchase stock in or become a member of any corporation or organization organized on a non-profit basis for the purpose of engaging in or furthering the cause of area-wide rural telephone service, or with the approval of the Administrator of REA, of any other

corporation for the purpose of acquiring telephone facilities or assuring more adequate service to its members.

Section 2. ***Waiver of Notice***. Any member or trustee may waive in writing any notice of a meeting required to be given by these bylaws. The attendance of a member or trustee at any meeting shall constitute a waiver or notice of such meeting by such member or trustee, except in case a member or trustee shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or conveyed.

Section 3. ***Rules and Regulations***. The Board shall have power to make and adopt such rules 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 affairs of the Co-op.

Section 4. ***Accounting System and Reports***. The Board shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the

Administrator of REA of the United States of America. The Board shall also after the close of each fiscal year cause to be made a full and complete audit of the accounts,

books, and financial condition of the Co-op as of the end of such fiscal year. Such audit reports shall be submitted to the members at the next following annual meeting.

Section 5. In computing any period of time prescribed or allowed by these By-laws, the day of the act or event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday or a legal holiday.

Section 6. **Member to Grant Easements to Cooperative.** Each member shall, upon being requested so to do by the Cooperative, execute and deliver to the Cooperative grants of easements or right of way over, on, and under such lands owned or leased by or mortgaged to the member, and in accordance with such reasonable terms and conditions, as the Cooperative shall require for the furnishing of telephone service to him or other members of for the construction, operation, maintenance or relocation of the Cooperative’s facilities.

**ARTICLE XII**

**AMENDMENTS**

These bylaws may be altered, amended or repealed by the members at any regular or special meeting, provided that the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

**NON-DISCRIMINATION**

LA JICARITA RURAL TELEPHONE COOPERATIVE

has filed with the Federal Government a Compliance Assurance in which it assures the Rural Utilities Service that it will comply fully with all requirements of Title VI of the Civil Rights Act of 1964 and the Rules and Regulations of the Department of Agriculture issued there under, to the end that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the conduct of its program and the operation of its facilities. Under this Assurance, this organization is committed not to discriminate against any person on the ground of race, color, or national origin in its policies and practices relating to applications for service or any other policies and practices relating to treatment of beneficiaries and participants including rates, conditions and extension of service, use of any of its facilities, attendance at and participation in any meetings of beneficiaries and participants in the conduct of the operations of this organization.

Any person who believes himself, or any specific class of individuals, to be subjected by this organization to discrimination prohibited by Title VI of the Act and the Rules and Regulations issued there under may, by himself or a representative, file with the Secretary of Agriculture, (Washington, D.C. 20250,) or this organization, or all, a written complaint. (Such complaint must be filed not later than 180 days after the alleged discrimination, or by such later date to which the Secretary of Agriculture or the Rural Utilities Service extends the time for filing.) Identity of complaints will be kept confidential except to the extent necessary to carry out the purposes of the Rules and Regulations.

LA JICARITA RURAL TELEPHONE COOPERATIVE

MORA, NEW MEXICO