

AMENDED AND SUBSTITUTED
ARTICLES OF INCORPORATION
OF
HUXLEY COMMUNICATIONS COOPERATIVE

The individuals whose names are hereunto subscribed hereby associate themselves into an incorporated cooperative association under the provisions of Chapter 499 of the Code of Iowa (1981); assuming all of the powers, rights and privileges granted to, and all of the duties and obligations imposed upon incorporated cooperative associations by said chapter, and for such purpose, do adopt the following Articles of Incorporation.

ARTICLE I

The name of Association shall be Huxley Communications Cooperative.
(March 31, 2001)

The principal office of the Association shall be located in Huxley, in the County of Story, State of Iowa.

ARTICLE II

The purposes for which the Association is formed are:

1. To furnish communication (March 12, 1988) service to its members at the lowest possible cost consistent with the proper maintenance of its communications lines and other facilities;
2. To construct, purchase, lease, acquire, or reconstruct and in any manner to own, hold, maintain, use, sell or dispose of communication lines, telephones, exchanges, and all equipment and accessories necessary to the purposes herein stated;
3. To purchase, lease or acquire in any manner and to own, hold, use, sell, mortgage or dispose of any real estate or personal property, or any interest therein, deemed necessary, convenient or appropriate to the purposes and uses of this Association;
4. To acquire, own, hold, use and exercise, and to the extent permitted by law, to sell, pledge, hypothecate and in any manner dispose of franchises, rights, privileges, licenses, rights-of-way and easements appropriate, convenient or necessary to the purposes of the Association;
5. To borrow money, to make and issue bonds, notes and other evidences of indebtedness, secured or unsecured, for moneys borrowed or in payment for property acquired, or for any of the other objects or purposes of the Association; to secure the payment of such bonds, notes or other evidences of indebtedness by mortgage or mortgages, or deed or deeds of trust upon, or by the pledge of or other lien upon, any or all of the property, rights, privileges or permits of the Association, wheresoever situated, acquired or to be acquired;
6. To contract for exchange service and toll service and reciprocal communication service with connecting lines with local exchanges and long distance companies in such manner as shall be deemed to the best interest of the Cooperative, and;

7. To do and perform any and all acts and things, and to have and exercise any and all powers, as may be necessary or convenient to accomplish any or all of the foregoing purposes, or as may be permitted by the provisions of the laws under which the Association is formed; and to exercise any of its power anywhere.

ARTICLE III

The corporate life of this Association began on the date the Secretary of State issued the Certificate of Incorporation and shall be perpetual, unless changed by an amendment to these Articles or terminated by dissolution.

ARTICLE IV

The name, occupation and post office address of each of the Incorporators of the Association are:

NAME	OCCUPATION	POST OFFICE ADDRESS
Kenneth Okland	Farmer	R. R. Kelley, Iowa
Dwight Smith	Manager P. V.	203 N. Third, Huxley, Iowa
Bruce Halverson	Welder-NADL	511 Timberlane, Huxley, Ia.
Dean Lehman	Farmer	R. R. Cambridge, Iowa
Gene Rouse	Assoc. Prof.	R.R. Huxley, Iowa
Ron Finch	Farmer	Kelley, Iowa
Larry Kallem	Ed. Dir.	Kelley, Iowa

ARTICLE V

This Corporation shall be operated on a non-profit basis as a Cooperative and the value of the business done with non-members shall not exceed that done with members.

ARTICLE VI

Section 1. Any individual, in addition to the undersigned Incorporators, acting for himself or as an accredited representative of an Association, Corporation, Partnership, or Organization, and who customarily uses the services rendered by the Association, may become a member in the Association by: (A) Purchasing a membership in the Association for the issuing price hereinafter in Section 2 of this Article specified, (B) Agreeing to take, receive, and pay for communication (March 12, 1988) service furnished by the Association as hereinafter in Section 3 of this Article specified, and (c) agreeing to comply with, and to be bound by, these Articles of Incorporation, the Bylaws of the Association and such rules and regulations as may from time to time be adopted by the Board of Directors of the Association, provided, however, that no individual, except the Incorporator of the Association, or any individual accepted for membership by the undersigned Incorporators or the Members at any meetings hereof, shall become a member in the Association unless and until he has been accepted for Membership by the affirmative vote of not less than two-thirds of the Members of the Board of Directors,. Subject to the foregoing provisions of this Section, farm tenants, and landlords who receive a share of agricultural products as rent are also eligible for membership. Any other Association formed under Chapter 499 of the Code of 1977 of the State of Iowa, and engaged in any activity directly or indirectly related to any activity in which the Association is engaged, is also eligible for Membership, subject to the provisions of this Section.

Section 2. The Association shall have no Capital Stock, but Membership in the Association shall be evidenced by a Certificate of Membership. The issuing price of Membership in the Association shall be twenty-five dollars (\$25.00), and no certificate of Membership in the Association shall be issued until the issuing price for the Membership shall have been paid in full. Membership in the Association shall not be transferable.

Section 3. Each Member of the Association shall receive service from the Association under the terms and conditions prescribed by resolution of the Board of Directors of the Association and shall pay therefor the price which shall, from time to time, be fixed therefor by resolution of the Board of Directors. Each Member shall also pay all obligations which may, from time to time, become due and payable by such member to this Association as and when the same shall become due and payable. Each Member shall comply with such rules and regulations as may, from time to time, be adopted by the Board of Directors.

Section 4. No Member of the Association may own more than one Membership and each Member shall be entitled to one vote and no more at all Meetings of the Members of the Association. The vote of each Member of the Association shall be cast in person and not by proxy, provided that an absent Member may cast his signed, written vote upon any proposition of which he has been previously notified in writing, and of which a copy accompanies his vote.

Section 5. The Board of Directors of the Association may, by the affirmative vote of not less than two-thirds of the Members of the Board of Directors, expel any Member of the Association, including the undersigned Incorporators, who shall have willfully violated or refused to comply with any of the provisions of these Articles of Incorporation or the Bylaws of the Association, or any rules or regulations promulgated by the Board of Directors, or who shall have ceased to be eligible for Membership in the Association, or who shall have failed to pay any debt or obligation to the Association when the same shall have become due and payable.

Section 6. If a Member dies or becomes ineligible, or is expelled, his Membership shall forthwith be cancelled. In case of the expulsion of a Member, the association shall pay him the value of his membership as shown by the books of the association on the date of cancellation, but not more than the original issuing price of such Membership. Such payment shall be made within sixty (60) days after such expulsion. In case of the death of a Member, payment of such value shall be made to the personal representative of such deceased Member within two (2) years after his death. In cases of ineligibility, payment of such value shall be made to the Member who has become ineligible within two (2) years after the date of his ineligibility. Interest shall not, in any case, be paid upon the value of the Membership or the issuing price thereof.

Section 7. Any Member of the Association may withdraw from Membership upon payment in full of all debts and obligations to the Association and upon compliance with and performance of all contracts with the Association. Upon such withdrawal, the Member so withdrawing shall be entitled to receive, and the Association shall pay to him, the value of his Membership as shown by the books on the date of such withdrawal, but not more than the original issuing price of said Membership.

Section 8. The death, expulsion, or withdrawal of a Member of the Association shall not impair his debts, obligations, or liabilities to the Association.

Section 9. The private property of the Members of the Association shall be exempt from execution for the debts of the Association.

ARTICLE VII

Section 1. Annual meetings of the Members of the Association shall be held at such times and places as shall be determined by the Board of directors. All meetings shall be held in the City or Town in which the principal office of the Association is located, or in such other place in Story County, Iowa, as shall be determined by the Board of Directors and specified in the notice of the meeting.

Section 2. The Directors may call special Meetings of Members and shall do so upon written demand of at least twenty percentum (20%) of the Members.

ARTICLE VIII

Section 1. The business and affairs of the Cooperative shall be managed by a Board of seven (7) Directors who must be Members of the Cooperative. Commencing with the Annual Meeting of the members to be held in the year 2005, the number of directors shall be increased from seven (7) to eight (8), and the business and affairs of the Cooperative shall thereafter be managed by a Board of eight (8) directors who must be members of the Cooperative. A Director who has been elected to three consecutive terms as a Director shall not be eligible for election to a fourth consecutive term as a Director, but shall again be eligible for election as a Director one year from the expiration of said Director's third consecutive term as a Director. Completion of an unexpired term shall not be considered a term for purposes of this Section.

Section 2. Prior to the Annual Meeting of members to be held in the year 2005, the election of directors shall be by districts, with the districts described as follows:

District A shall be the area formerly served by the Kelley Exchange. Two (2) directors shall be residents of this district.

District B shall be all of the service area of the Cooperative except for the area formerly served by the Kelley Exchange. Five (5) directors shall be residents of this district.

Beginning with the Annual Meeting of members to be held in the year 2005, the election of directors shall be by districts, as follows:

District A shall be the area formerly served by the Kelley Exchange. Two (2) directors shall be residents of this district.

District B shall be the Huxley Exchange area as defined by the Iowa Utilities Board. Four (4) directors shall be residents of this district.

District C shall be all of the service area of the Cooperative except for the area formerly served by the Kelley exchange and the Huxley Exchange. Two (2) directors shall be residents of this district.

Section 3. At each Annual Meeting of the Members, a number of directors equal to the number of directors whose terms shall expire at the time of the meeting shall be elected for the term (4) years, or until their successor shall have been elected and qualified.

Section 4. Subject to the provisions of Section 5 of this Article VIII, any vacancy in the Board of Directors shall be filled by a majority vote of the remaining Directors, and the Directors thus elected shall serve until the expiration of the term, and until his successor shall have been elected and qualified.

Section 5. At any regular Meeting of Members, or any meeting called for that purpose, any Officer or Director may be removed by vote of a majority of all voting Members of the Association. Any vacancy in the Board of Directors, pursuant to Section 4, may be filled at the same meeting at which such vacancy is created and the Director so elected shall hold office until the next succeeding regular Annual Meeting of the Members of the Association and until his successor shall have been elected and qualified. In case of the failure to fill such vacancy at such meeting, the Board of Directors may fill the vacancy at any subsequent meeting of the Board in the manner and for the term specified in Section 4 of this Article VIII.

ARTICLE IX

Section 1. No dividends or interest shall be paid upon issuing price of Membership in the Association. The Directors shall annually dispose of the earnings of the Association in excess of its operating expenses as provided in Section 499.30 Code of Iowa (1981).

(A) To provide a reasonable reserve for depreciation, obsolescence, bad debts, or contingent losses or expenses;

(B) At least ten percent (10%) of the remaining earnings must be added to surplus until surplus equals either thirty percent (30%) of the total of all capital paid in for Stock or Memberships, plus all unpaid patronage dividends, plus certificates of indebtedness payable upon liquidation, earnings from non-member business, and earnings arising from the earnings of other cooperative organizations of which the Association is a member, or one thousand dollars (\$1,000.00) whichever is greater. No additions shall be made to surplus when it exceeds either fifty percent (50%) of the total, or one thousand dollars (\$1,000.00), whichever is greater;

(C) Not less than one percent (1%), nor more than five percent (5%) of such earnings in excess of reserves may be placed in an educational fund, to be used as the Directors deem suitable for teaching or promoting Cooperation;

(D) All remaining net earnings shall be allocated to a revolving fund and shall be credited to the account of each Member ratably in proportion to the business he has done with the Association during each year. Such credits are herein referred to as "Deferred Patronage Dividends";

(E) With respect to the earnings allocated for the calendar year 1986 and thereafter, the Directors shall determine the percentage or the amount of said allocation that currently shall be paid in cash in a manner consistent with the provisions of Section 499.30 of the Code of Iowa.

Section 2. The Members may, at any meeting, control the amount to be allocated to surplus or educational fund within the limits specified in Section 1 of this Article IX.

Section 3. The Directors may use the revolving fund to pay the obligations or add to the capital of the Association. In such event, the deferred patronage dividends credited to Members shall constitute a charge upon the revolving fund and future additions thereto, and on the corporate assets subordinate to creditors then or thereafter existing. Deferred patronage dividends for any year shall have priority over those for any subsequent year, except that the Directors may, at their discretion, pay

deferred patronage dividends of deceased Members who were natural persons, without reference to the order of priority herein prescribed, and except as in Article X of these Articles of Incorporation provided.

Section 4. The Association may issue certificates for deferred patronage dividends, which certificates may be transferable or nontransferable as the Board of Directors may, from time to time, determine.

Section 5. Credits or certificates referred to in Sections 3 and 4 of this Article IX, shall not mature until the dissolution or liquidation of the Association, but shall be callable by the Association at any time in the order of priority specified in Section 3 of this Article IX.

ARTICLE X

Upon dissolution or liquidation, the assets of the Association shall be applied, first, to pay liquidation expenses, next to pay obligations of the Association other than patronage dividends or certificates issued therefor, and the remainder of such assets shall be distributed in the manner and order of priority provided by law.

ARTICLE XI

Section 1. A sale, lease, exchange or other disposition of all or substantially all of the property and assets of the Cooperative, with or without the good will, if not made in the usual and regular course of business, may be made upon terms and conditions and for such consideration which may consist in whole or in part of money or property, real or personal, including shares of any other Cooperative association organized under the statutes of the State of Iowa, as long as such sale, lease, exchange or other disposition is authorized in the following manner:

(A) The Board of Directors of the Cooperative shall adopt a resolution recommending the sale, lease, exchange, or other disposition and directing the submission thereof to a vote at a meeting of the membership, which may be either an annual or special meeting.

(B) Written or printed notice of the proposal shall be given to each member of record entitled to vote at the meeting within the time and in the manner provided by these Articles of Incorporation for the giving of notice of meetings of members and whether the meeting be an annual or special meeting, shall state that the purpose, or one of the purposes of the meeting is to consider the proposed sale, lease, exchange or other disposition of substantially all of the property and assets of the Cooperative.

(C) At the meeting the membership may authorize the sale, lease, exchange or other disposition and may fix, or may authorize the Board of Directors to fix, any and all of the terms and conditions thereof and the consideration to be received by this Cooperative. Such authorization shall be approved if two-thirds (2/3) of the members vote affirmatively on a ballot on which a majority of all voting members of the Cooperative participate.

(D) After the authorization by the vote of the members, the Board of Directors of the Cooperative may nevertheless in its discretion abandon the sale, lease, exchange, or other disposition of assets, subject to the rights of third parties under any contracts relating thereto without further action or approval by the members.

ARTICLE XII

Except as otherwise provided by Iowa law, a director, officer, employee, or member of the Cooperative is not liable on the debts or the obligation, and a director, officer, member or other volunteer is not personally liable in that capacity for a claim based upon an act or omission of the person performed in the discharge of the person's duties, except for a breach of the duty of loyalty to the Cooperative, for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or for a transaction from which the person derives an improper personal benefit.

The Cooperative may indemnify any present or former director, officer, employee, member or volunteer in the manner and in the instances authorized in Section 496A.4A Iowa Code (1987) as amended.

ARTICLE XIII

The Directors, by a vote of seventy-five percent (75%) of the Directors, may adopt, alter, amend, or repeal bylaws for the Association, and the same shall remain in force until altered, amended, or repealed by a vote of seventy-five percent (75%) of the Members present or represented at any annual meeting or special meeting of the Members.

ARTICLE XIV

The Association may amend, alter, change or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by law.

State of Iowa
County of Story

On this 13th day of March, 1982, before me, a Notary Public in and for said County and State, personally appeared:

Gene Rouse _____ Bruce Halverson _____

Larry D. Kallem _____ Dwight Smith _____

Kenneth Okland _____ Dean Lehman _____

Ronald Finch _____, said persons being to me personally known to be the identical persons whose names are subscribed to the foregoing Articles of Incorporation, and each for himself, acknowledged the execution of the same to be his free and voluntary act and deed for the uses and purposes therein expressed.

Witness my hand and notarial seal the day, month, and year last above written.

Michael P. Joynt _____
Notary Public in and for the State of Iowa