

ARTICLE XI  
MISCELLANEOUS

SECTION 1. RULES AND REGULATIONS.

The Board of Directors shall have the power to make and adopt such policies, rules 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, and upon notice given thereof to the members, such policies, rules and regulations shall become as binding upon the members as if they were contained in these Bylaws.

SECTION 2. ACCOUNTING SYSTEM AND REPORTS.

The Board of Directors shall cause to be established and maintained a complete accounting system which shall be in accordance with generally accepted accounting principles and procedures for cooperative corporations, subject to applicable laws, and rules and regulations. The accounting system shall also be organized in such a manner whereby the financial status or condition of material investments in subsidiaries, joint ventures or affiliated interests are independently, fairly and accurately stated. Specific information may be limited by contractual confidentiality obligations or the necessity to protect proprietary, competitive or trade secret information, as determined by the Board. The Board of Directors shall, as soon as is reasonably possible after the close of each fiscal year, and before the annual meeting of the members, cause to be made a full and complete audit of the accounts, books and financial condition of the Cooperative. A summary of the financial condition of the Cooperative shall be given to the members at each annual meeting.

SECTION 3. SECURITY INTEREST IN CAPITAL ACCOUNT

The Cooperative shall have a security interest in the capital credits of every member for purposes of securing payment of any amounts owed by a member to the Cooperative, including any reasonable interest charges, late payment fees and other fees or costs related to that member's unpaid account, subject to perfection of such security interest as provided by law.