



BYLAWS

FLINT ELECTRIC MEMBERSHIP CORPORATION

FOREWARD

The *Bylaws* contained on the following pages are a contract between Flint Electric Membership Corporation (EMC) d/b/a Flint Energies and Members who receive its electric service. They state what we expect of you as a Flint EMC Member and what you can expect from the Cooperative.

Bylaws Flint Electric Membership Corporation

DEFINITIONS

1. **ALLOCATION:** The process where Capital Credits are spread on the Cooperative books to the Members through the accounting process.
2. **BONA FIDE RESIDENT:** One who lives in one of the seventeen (17) counties served and takes service at a residence, business, or other metering point.
3. **ENTITY:** A domestic or foreign; cooperative, business or nonprofit corporation or entity recognized by the Georgia Business Corporation Code, trust or local, state, federal, or national government, including an agency or political subdivision thereof.
4. **CAPITAL CREDITS OR MARGINS OR PATRONAGE:** These are the names given to the money left over after expenses; (i.e. profit in most businesses) that is Allocated to the Members based on proportionate contribution or receipt of electric service.(See Article VIII, Section 2 below).
5. **CLOSE RELATIVE:** Parent, grandparent, child, grandchild, brother, sister, husband, wife, by blood or law.
6. **COOPERATIVE:** Flint Electric Membership Corporation, a/k/a Flint EMC and d/b/a Flint Energies is a non-profit cooperative electric membership corporation, organized under the Georgia Electric Membership Corporation Act, whose philosophy is based on one Member, one vote and that any money received in excess of expenses will be allocated back to the Members on the basis of proportionate contribution.
7. **COOPERATIVE SERVICE:** A cooperative service is the receipt of electric energy at a Member's location or such other service provided by the Cooperative.
8. **DIRECTOR:** A person elected by the Members and serves as a policymaker for the organization.
9. **GOVERNING DOCUMENTS:** The governing documents of the Cooperative shall be the Articles of Incorporation, Bylaws, Service Rules and Regulations and Member Agreement.
10. **LOCATION:** Place where electric energy is delivered to a Member at the point of demarcation as specified in the *Service Rules and Regulations*.
11. **MEMBER:** A natural person or Entity, firm, association, corporation, or body politic or subdivision thereof who: (1) requests service, (2) has the capacity to enter into legally binding contracts, (3) has met the requirements for membership, and (4) is furnished electric energy or service pursuant to these Bylaws.
12. **RECORD DATE:** A "Record Date" is the date for determining the total membership of the Cooperative and the Members entitled to: (1) sign a Member petition; (2) receive a ballot, notice of a Member Meeting, or similar document; or (3) vote or otherwise act
13. **SERVICE RULES AND REGULATIONS:** The operating policies of the Cooperative as passed, modified and approved by the Board of Directors from time to time.

ARTICLE I – MEMBERS

SECTION 1. Requirements for Membership

Any person or Entity will become a Member of Flint Electric Membership Corporation (hereinafter called "Cooperative") upon receipt of electric service from the Cooperative, provided applicant has: (1) request service by application, (2) the capacity or authority to enter into legally binding contracts, (3) met the requirements for membership, and (4) agreed to comply with and be bound by the *Articles of Incorporation* and *Bylaws* of the Cooperative and *Service Rules & Regulations* adopted by the Board of Directors; and (5) paid the membership fee hereinafter specified.

As a condition of membership, each Member, upon being requested by the Cooperative, shall execute and deliver to the Cooperative, without charge, easements of right of way over, on and under such lands owned or leased by, or mortgaged to, the Members; and in accordance with such reasonable terms and conditions as the Cooperative shall

require for the furnishing of electric service to the Member or other Members or for the construction, operation, maintenance or relocation of the Cooperative's electric lines.

No Member may hold more than one membership in the Cooperative and no membership in the Cooperative shall be transferable except as provided in these *Bylaws*.

SECTION 2. Joint Membership

A husband and wife or married persons in a legally recognized documented relationship and occupy the same location where the Cooperative provides service may apply for a Joint Membership and, subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term "Member" as used in these *Bylaws* shall be deemed to include a Joint Membership and any provisions relating to rights and liabilities of membership shall apply equally with respect to holders of a Joint Membership. Without limiting the generality of the foregoing, the effect of the hereinafter-specified actions by or in respect of the holders of a Joint Membership shall be as follows:

- a. The presence at a meeting of either or both shall be regarded as the presence of one Member and shall constitute a joint waiver of notice of the meeting.
- b. The vote of either separately or both jointly shall constitute one vote.
- c. A waiver of notice signed by either or both shall constitute a joint waiver.
- d. Notice to either shall constitute notice to both.
- e. Expulsion of either shall terminate the Joint Membership.
- f. Withdrawal of either shall terminate the Joint Membership. If one Joint Member remains qualified to be a Member and continues to use Cooperative service at the same location, then the Joint Membership converts to a membership comprised of this person and all Capital Credits allocated to the same location shall convert to the name of the remaining Member. The withdrawing person must comply with membership procedures to begin taking Cooperative service at another location.
- g. Either but not both may be elected or appointed as an officer or board Member, provided that both meet the qualifications for such office.
- h. Any change in service will require both signatures.

SECTION 3. Conversion of Membership

- a. Membership may be converted to a Joint Membership of married persons upon the written request of the holder thereof and the agreement by such holder thereof and his or her spouse to comply with the *Articles Of Incorporation*, the *Bylaws*, and the *Rules & Regulations* adopted by the Board of Directors.
- b. Upon death of either Joint Member who is a party to the Joint Membership, such membership shall be held solely by the survivor with full rights of survivorship to capital credits and all other interests in the joint account; provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.

SECTION 4. Membership Fee

There shall be a \$15 fee to become a Member of the Cooperative.

SECTION 5. Purchase of Electric Energy

Each Member shall, as soon as electric energy services shall be available, purchase from the Cooperative all electric energy purchased for use on the premises specified in the application for membership, and shall pay therefore at rates that shall from time to time be fixed by the Board of Directors. Production or use of electric energy on such premises, regardless of source thereof, by means of Member's meter base or facilities which shall be interconnected with Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the Cooperative and shall comply with the National Electric Safety Code. It is expressly understood that amounts paid

for electric energy 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 the *Bylaws*. Each Member shall pay to the Cooperative such minimum amount, regardless of the amount of electric energy consumed, as shall be fixed by the Board of Directors from time to time. Each Member shall also pay all amounts owed to the Cooperative as and when the same shall become due and payable.

Cooperative shall provide electric energy to Members in a reasonable manner. The Cooperative, however, does not guarantee, insure or warrant that it will provide adequate, continuous, or non-fluctuating electric energy. Cooperative shall not be liable for damages for noncontinuous or fluctuating electric energy unless the damages, costs, or expenses are caused by the Cooperative's gross negligence or willful misconduct. The Cooperative's responsibility and liability for providing electric energy to Members terminates upon delivery of electric energy to Members location at the point of demarcation as defined in the Cooperative's *Service Rules and Regulations*. In case of emergency, or as requested by government or emergency officials or representatives, the Cooperative may interrupt the delivery of electric energy to Members.

Except as otherwise provided in these Bylaws, a person or Entity may not become or remain a Member of the Cooperative if the person resides at, engages in a business at, owns, controls, or otherwise occupies a residence, office, building, premise, structure, facility, or other location, the provision of a Cooperative service to said location is the basis of membership, and which location is or was:

- (1) Occupied by a second Person, who (A) is a Member, other than a Joint Member; or (B) owes the Cooperative for a Cooperative service provided to the location, if the first Person occupied the location when the Cooperative provided the Service; or
- (2) Previously occupied by an Entity owned or controlled by the Person, which Entity owes the Cooperative for a Cooperative service provided to or for the location.

SECTION 6. Withdrawal, Expulsion, and Reinstatement of Membership

- a. Any Member may withdraw from membership upon compliance with such uniform terms and conditions as the Board of Directors may prescribe.
- b. The Board of Directors may, by the affirmative vote of not less than a majority of all of the Members of the Board, expel any Member who fails to comply with any of the provisions of the *Articles of Incorporation*, the *Bylaws*, or the *Service Rules & Regulations* adopted by the Board of Directors, but only if such Members shall have been given written notice by the Cooperative that such failure makes Member liable for expulsion and such failure shall have continued for at least ten (10) days after such notice was given. Any expelled Member may be reinstated by a majority vote of the Board of Directors, or may appeal to and be reinstated by a majority vote of membership at any annual or special meeting of the Members.
- c. Upon the withdrawal, cessation of purchase of electric energy, cessation of existence, or expulsion of a Member, the membership of such Member shall thereupon terminate. Upon death of an individual Member, the membership terminates and Cooperative must have a new Member to continue electric service at the deceased Member's premises location, which transitioning process may be defined by the Cooperative in the *Service Rules & Regulations*.
- d. In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the Member the amount of the membership fee paid or security deposit made by him provided, however, that the Cooperative shall deduct from the amount of the membership fee and security deposits the amount of any debts or obligations owed by the Member to the Cooperative.

ARTICLE II - RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. Property Interest of Members

Upon dissolution, after

- a. All debts and liabilities of the Cooperative shall have been paid, and
- b. All capital furnished through patronage shall have been retired as provided in these *Bylaws*, the remaining property and assets of the Cooperative shall be distributed among Members and former Members in the

proportion which the aggregate patronage of each bears to the total patronage of all Members during the ten (10) years next preceding the date of the filing of the certificate of dissolution.

SECTION 2. Non-Liability for Debts of the Cooperative

The private property of the Members shall be exempt from execution or other liability for the debts of the Cooperative and no Member shall be liable or responsible for any debts or liabilities of the Cooperative.

ARTICLE III – MEETINGS OF MEMBERS

SECTION 1. Annual Meeting of Members

There shall be an Annual Meeting of Members held each year. The Annual Meeting shall be held at the City of Reynolds, in the County of Taylor, State of Georgia, and in Houston County on an alternating basis, on any day in October and at such place and time within said City and County as designated by the Board of Directors. The Annual Meeting shall be for the purpose of electing directors, passing upon reports covering the previous fiscal year, and transacting such other business as may come before the meeting. Failure to hold the Annual Meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative. Members may not act without a Member meeting.

SECTION 2. Notice of Annual Meeting

Written or printed notice of Annual Meeting of Members shall be given to each Member not less than fourteen (14) days before date of said meeting. Members may affirmatively elect to receive all notices by electronic means. Said election shall be given to the Cooperative in written form signed by the member or in electronic form with an e-signature attached. Said notice shall state place, the day and hour of the meeting; the director posts to be filled and term of each; and show separately the nominations made by petition, if any, to each post. If said notice is mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the Member at Member's address as it appears on the Cooperative's records with postage thereupon prepaid. The failure of any Member to receive notice of an Annual Meeting shall not invalidate any action which may be taken by the Members at any such meeting.

SECTION 3. Special Meetings of Members

Special meetings of Members may be called by the majority of the directors or upon a written request signed by at least ten percent (10%) of all the Members and within five (5) business days after notification of such action, it shall be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the Members shall be held at Reynolds, Taylor County, Georgia.

SECTION 4. Notice of Special Meetings

Each Member shall be given notice stating the place, day, hour of the meeting, and the purpose or purposes for which the meeting is called, not less than seven (7) days before meeting date, either personally or by mail. (As to amending *Bylaws*, see ARTICLE XII.)

SECTION 5. Quorum for Members' Meetings

One percent (1%) of Members to whom official meeting notice is given, present in person or by proxy as defined in ARTICLE III, SECTION 7, or who have voted by mail ballot, shall constitute a quorum for transaction of business at all membership meetings. In case of Joint Membership, presence at a meeting of either married person, or both, shall be regarded as presence of one Member. If less than a quorum is present at any meeting, a majority of those present in person or represented by proxy as provided in *Bylaws* may adjourn meeting from time to time without further notice.

SECTION 6. Voting at Member Meetings

Prior to any duly called membership meeting, there shall be printed and mailed in a hard copy or electronic form to all Members not less than fourteen (14) days prior to meeting, ballots for director elections and for voting on any other agenda item authorized by the Board of Directors. Printed instructions and an explanation as to when and where ballot shall be returned will be included and shall be delivered in hard copy or electronic form. Ballots shall be received by the Cooperative no later than close of business on the last day prior to Annual Meeting. Ballots may

also be cast at Annual Meeting as authorized and directed by the Board of Directors. Proof of identification may be required. Each Member shall be entitled to one (1) vote upon each matter submitted to a vote at any Member meeting. Each Joint Membership shall be entitled to one (1) vote. Except as allowed below, there shall be no proxy voting. At all Member meetings, a majority of Members voting upon any question shall decide the issue except as otherwise provided by law, *Articles of Incorporation*, or *Bylaws*.

In the event of a contested director election where there are more than two candidates running for one Board of Directors seat, and when one of the candidates does not receive more than fifty percent (50%) of the votes cast, a run-off election of the two candidates receiving the most votes shall be held by mail or electronic ballot only and no member meeting shall be held for the run-off election. Mail balloting shall be held in the same manner as notice is delivered and director elections voting by mail is held for the Annual Meeting. The votes shall be confirmed and tabulated by the Credentials and Elections Committee and the results announced to the membership by publication or electronic or regular mail.

The Board of Directors may fix the Record Date for voting or other action, but the voting Record Date may not be more than 30 days before the meeting of members. The Board of Directors may fix the Record Date for a member petition to nominate a director candidate, but the petition Record Date may not be less than ninety (90) days prior to the annual meeting of members. If a Member is terminated or suspended after the Record Date, then the member may not sign a document; receive a document, or otherwise act.

SECTION 7. Proxies at Member Meetings

There shall be no voting by proxy except that a husband or wife may hold or exercise a proxy for his or her spouse and identification may be required in order to cast a proxy vote.

SECTION 8. Order of Business at Annual Meeting

The order of business at the Annual Meeting of the Members, insofar as possible, shall be essentially as follows, except as otherwise determined by the Members at such meeting:

- a. Report on the number of Members present in person or who voted by mail in order to determine existence of a quorum.
- b. Citation of facts relative to proof of the publication and/or mailing of the notice of the meeting or the waiver or waivers of notice of the meeting, as the case may be.
- c. Action upon minutes of previous meetings of the Members.
- d. Presentation and consideration of reports of officers and committees.
- e. Election of Board Members.
- f. Unfinished business.
- g. New business.
- h. Adjournment

The Attorney shall preside over the election of Directors or at any other time and at any meeting, as directed by the Chairman of the Board of Directors. The order of business at the Annual Meeting of Members and all other meetings will be conducted in accordance with *Robert's Rules of Order*.

SECTION 9. Order of Business at Special Meetings

The order of business at special meetings of Members will be restricted to that set forth in the notice of special meeting.

SECTION 10. Credentials and Election Committee

The Board of Directors shall, at least sixty (60) days before any Annual Meeting of the Members or prior to any special meeting of the Members, appoint a Credentials and Election Committee. The Committee shall consist of

Members of Flint Electric Membership Corporation , not less than seven (7) nor more than eleven (11) who are not Members of the Nominating Committee or existing Cooperative employees, agents, officers, Directors, or known candidates for Director, and who are not Close Relatives (as defined in these *Bylaws*). In appointing the Committee, the Board of Directors shall take into account the equitable representation of several areas served by the Cooperative. The Board of Directors shall appoint the Chairman and the Committee shall elect a Secretary prior to Member meeting. It shall be the responsibility of the Committee to establish or approve, consistent with these Bylaws, the manner of conducting Member registration and any ballot or other voting, to pass upon all questions that may arise with respect to the registration of Members in person, or by proxy, to count all ballots or other votes cast in any election or in any other matter, to rule upon the effect of any ballots or other vote irregularly or indecisively marked or cast, to rule upon all other questions that may arise relating to Member voting and the election of Directors (including but not limited to the validity of petitions of nomination or the qualifications of candidates and the regularity of the nomination and election of Directors), and to pass upon any protest or objection filed with respect to any election or to conduct affecting the results of any election. In the exercise of its responsibility, the Committee shall have available to it the advice of counsel provided by the Cooperative. In the event a protest or objection is filed concerning any election, such protest or objection must be filed during, or within three (3) business days following adjournment of the meeting in which the voting is conducted or within three (3) business days after the results of a runoff election are announced. The committee shall thereupon be reconvened, upon notice from its chairman, not more than seven (7) days after such protest or objection is filed. The Committee shall hear such evidence as is presented by the protestor(s) or objector(s), who may be heard in person, by counsel, or both, and any opposing evidence; and the Committee, by a vote of a majority of those present and voting, shall, within a reasonable time, but not later than ten (10) days after such hearing, render its decision, the result of which may be to affirm the election, to change the outcome, thereof, or to set it aside. The Committee may not affirmatively act on any matter unless at least seven (7) Members of the Committee are present. The Committee's decision (as reflected by a majority of those actually present and voting) on all matters covered by this Section shall be final. Without limiting the foregoing duties and prerogatives of the Committee, on request of the person presiding at the meeting of the Members or on the request of any Member entitled to vote thereat, such Committee shall make a report in writing of any challenge, questions, count, or matter determined by the Committee and execute a certificate of any fact found by them. Any such report or certificate made by them shall be prima-facie evidence of the facts stated and of the vote as certified by them.

SECTION 11. Director Candidate Biographies in Official Notice

Each Member seeking a directorship shall be given an opportunity to include in the OFFICIAL NOTICE a short biographical sketch authorized by the Board of Directors.

ARTICLE IV – DIRECTORS

SECTION 1. General Power of Directors

The business and affairs of the Cooperative shall be managed by a Board of Directors which shall exercise all of the powers of the Cooperative except such as are by law or by *Articles of Incorporation* of the Cooperative or by these *Bylaws* conferred upon or reserved to Members.

SECTION 2. Directors Shall be Chosen As Follows:

- AREA I:** Talbot, Muscogee, and Harris counties: One (1) Director
- AREA II:** Taylor, Schley, Marion, and Chattahoochee Counties: Two (2) Directors
- AREA III:** Macon, Dooly, and Sumter Counties: One (1) Director
- AREA IV:** Houston, Bibb, and Twiggs Counties – Excluding Municipality of Warner Robins: Two (2) Directors
- AREA V:** Crawford, Monroe, and Upson Counties: One (1) Director
- AREA VI:** Peach County: One (1) Director
- AREA VII:** Municipality of Warner Robins: Three (3) Directors

Each director shall be a resident of the area represented.

SECTION 3. Tenure and Election of Directors

Each Director shall be elected for a three (3) year term at the Annual Meeting and shall serve until expiration of the term or until a successor has been qualified and elected. The Election of Directors shall be staggered between the different Areas and Posts as set forth by the following guide.

GROUP 1:
Area III (Post 1)
Area V (Post 1)
Area VII (Post 1)
Area VII (Post 3)

GROUP 2:
Area II (Post 1)
Area IV (Post 1)
Area VI (Post 1)
Area VII (Post 2)

GROUP 3:
Area I (Post 1)
Area II (Post 2)
Area IV (Post 2)

The base year for Group 3 shall be 1960.

In addition, the Members, at each Annual Meeting shall fill any vacancy on the Board of Directors that may have occurred during the previous year. The term of any vacancy so filled shall coincide with term of the directorship so vacated. If the election of Directors shall not be held on a day designated for any Annual Meeting, or any adjournment thereof, the Board of Directors shall cause the election to be held as soon thereafter as conveniently may be. Failure to hold the Annual Meeting at designated time shall not work a forfeiture or dissolution of the Cooperative.

SECTION 4. Qualifications for Directors

No member shall be eligible to become or remain a director who is not a Member in Good Standing. A Member in Good Standing meets the following minimum qualifications:

1. A candidate must be a citizen of the United States and a Bona Fide Resident of the Area in which the election to the Board is sought or nominated and must have been a Bona Fide resident of said area for a period of 12 months prior to nomination by the Nominating Committee or nomination by petition when voted upon by the Credentials and Elections Committee.
2. A candidate must be 21 years of age.
3. A candidate or Director must not hold any office elected by the general electorate in any governmental entity or other Electric Cooperative.
4. A candidate or Director must not be employed by or financially interested in any other Entity that distributes electric energy competing with the Cooperative.
5. A candidate or Director must not have had electric service disconnected for non-payment two (2) times in the preceding twelve (12) months. For a candidate, twelve months shall be the twelve months prior to nomination by the Nominating Committee or nomination by petition when voted upon by the Credentials and Elections Committee.
6. A Director or candidate must not have been convicted and sentenced for any felony involving moral turpitude under the laws of the State of Georgia or any other state, when the offense is also a felony in this state, unless restored to all rights of citizenship by a pardon from the State Board of Pardons and Paroles.
7. A Director or candidate may not be a person of unsound mind or person who, from advanced age or bodily infirmity, is unfit to discharge the duties of a Board of Directors members.
8. A candidate may not have been an employee of the Cooperative within three (3) years of nomination by the Nominating Committee or nomination by petition when voted upon by the Credentials and Elections Committee.
9. A Director or candidate may not be a Close Relative of any Cooperative employee.

SECTION 5. Nomination of Directors

The Board of Directors shall appoint, not less than one hundred and twenty (120) days before the membership meeting date at which Directors are elected, a Nominating Committee consisting of not less than five (5) nor more than twelve (12) Members who shall be selected so as to give equitable committee representation to the geographical areas the Cooperative serves. No officer, Director, or Close Relative of a Director, shall be appointed to Committee. The Committee shall meet, complete its nominations, and prepare and post at the Cooperative's principal office at least sixty (60) days before the meeting, a list of Director nominations. One percent (1%) of Members may make other nominations in writing over their signatures not less than sixty (60) days prior to the meeting. The Secretary

shall post these nominations at the same place where the Committee's nominations are posted. Persons nominated by the Committee and by petition shall be placed on the ballot. The Secretary shall give notice to Members of the number of Directors to be elected and their respective post and shall show separately the nominations made by the Committee, if any. There will be no nominations from the floor. Notwithstanding anything in this Section, failure to comply with any of this section's provisions shall not affect in any manner whatsoever the validity of any election of Directors.

SECTION 6. Removal of Directors and Officers

Any Member may bring charges against an officer or Director for malfeasance, misfeasance, or nonfeasance in office by filing them in writing with the Secretary, together with a petition signed by ten percent (10%) of the Members, requesting the removal of the officer or Director in question. The removal shall be voted on at the next meeting of the Members. The Director or officer against whom such charges have been brought shall be informed in writing of charges at least ten (10) days prior to the meeting and shall have an opportunity at the meeting to be heard in person or be represented by counsel, and the right to present evidence and cross-examine witnesses. The person or persons making the accusation shall be present at the meeting, have the right to present evidence, and cross-examine witnesses, and be subject to cross-examination by the accused.

SECTION 7. Vacancies on Board of Directors

Subject to the provisions of these *Bylaws* with respect to removal of Directors, vacancies occurring on the Board of Directors shall be filled by a majority vote of the remaining Directors and Directors thus elected shall serve until the next Annual Meeting of the Members or until their successors shall have been qualified and shall have been elected.

SECTION 8. Compensation of Directors

Directors as such shall not receive any salary for their services, but by resolution of the Board of Directors, a fixed sum and expenses-of-attendance, if any, may be allowed for attendance at each meeting of the Board of Directors; provided, however, that Directors be paid per diem and actual expenses incurred while on business representing the Cooperative as approved by the Board of Directors.

SECTION 9. Emeritus Director

When a Director who has been elected by the Members of the Cooperative has reached the age of seventy (70) years or has served the Cooperative continuously as a Director for a period of twenty-one (21) years, the Director, upon approval of the Board of Directors, may at the Board's sole discretion be placed on an inactive status and given the title of "Emeritus Director."

The title of "Emeritus Director" shall be contingent upon remaining a Member of the Cooperative, and for the retired Director's life, or until such time as the Board of Directors may determine that the title be discontinued by a two-thirds (2/3s) majority of the Board of Directors. The "Emeritus Director" as aforesaid shall receive per diem and/or mileage where given specific assignments by the Board of Directors and in such cases the "Emeritus Director" shall receive per diem and mileage in an amount to be determined by the Board of Directors.

The "Emeritus Director" shall attend meetings of the Board of Directors as requested to do so by the Board of Directors. The "Emeritus Director" shall have no vote on any matter pending before the Board of Directors.

The creation of the title of "Emeritus Director" shall be for and in recognition of long and meritorious service rendered by the "Emeritus Director" to the Members of the Cooperative while serving as a member of the Board of Directors of said Cooperative. "Emeritus Directors" serving, as aforesaid, shall to the extent available be entitled to and shall have all benefits of insurance protection and other insurance and/or retirement privileges as were theirs during the time, or any part of the time, they were in active service as a member of the Board of Directors.

ARTICLE V – MEETINGS OF THE BOARD OF DIRECTORS

SECTION 1. Regular Meetings of the Board of Directors

A regular meeting of the Board of Directors shall be held without notice other than this *Bylaw* immediately after and at the same place as the Annual Meeting of the Members. A regular meeting of the Board of Directors shall also be held monthly at such time and place as determined by the Board of Directors. A Director missing three (3) consecutive meetings automatically terminates the directorship unless said absence is deemed excusable by the Board of Directors.

SECTION 2. Special Meetings of the Board of Directors

Special meetings of the Board of Directors may be called by the President or any three (3) Directors. Special meetings of the Board may be held by telephonic or other electronic means when circumstances exist that would make in person meetings impracticable or if a quorum cannot be obtained.

SECTION 3. Notice for Special Meetings of the Board of Directors

Notice of time, place, and purpose of any special meeting of the Board of Directors shall be given at least five (5) days previous thereto, by written notice, delivered personally, electronically with confirmation of delivery or by first class mail, to each Director's last known address. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail so addressed with postage thereon prepaid.

SECTION 4. Quorum for Board Meetings

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors' provided that, if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. (As to amending *Bylaws* see ARTICLE XII.)

SECTION 5. Manner of Acting at Board Meetings

Meetings of the Board of Directors and transactions of business will be governed by *Robert's Rules of Order*.

ARTICLE VI – OFFICERS

SECTION 1. Number of Officers

Officers of the Cooperative shall be a Chairman, Vice Chairman, Secretary, Treasurer, Assistant Secretary, Assistant Treasurer, and such other officers as may be determined by the Board of Directors from time to time. The offices of Secretary and Treasurer may be held by the same person. The offices of Assistant Secretary and Assistant Treasurer may be held by the same person.

SECTION 2. Election and Term of Office of Officers

The officers shall be elected by secret ballot, annually, by and from the Board of Directors, at the meeting of the Board of Directors held immediately after the Annual Meeting of the Members. A majority of those Directors present shall be required for the election of an officer. If more than two (2) persons receive votes with no one person receiving a majority, then there shall be a run-off between the two (2) persons receiving the most votes. In case of a tie, the balloting will continue until one of the persons receives a majority vote. Each officer shall hold office until the first meeting of the Board of Directors following the next succeeding Annual Meeting of the Members or until a successor shall have qualified and shall have been elected

SECTION 3. Removal of Officers

Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Cooperative will be served thereby.

SECTION 4. Vacancies of Officers

Except as otherwise provided in these *Bylaws*, a vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. Chairman

The Chairman:

- a. Shall be the principal officer of the Cooperative and shall preside at all meetings of the Members and the Board.

- b. May sign, with the Secretary, any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors or by these **Bylaws** to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed;
- c. In general, shall perform all duties incident to office of the Chairman and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 6. Vice Chairman

In absence of the Chairman, or in the event of his inability or refusal to act, the Vice-Chairman shall perform the duties of the Chairman and when so acting shall have all the powers of and be subject to all restrictions upon the Chairman. The Vice-Chairman shall also perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 7. Secretary

The Secretary shall be responsible for insuring that the following duties are performed:

- a. Keeping the minutes of the Meetings of the Members and of the Board of Directors in book or read only electronic format provided for that purpose.
- b. Seeing that all notices are duly given in accordance with these **Bylaws** or as required by Law;
- c. The safekeeping of the corporate books and records and the seal of the Cooperative and affixing the seal of the Cooperative to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these **Bylaws**.
- d. Keeping a register of the names and post office addresses of all Members;
- e. Keeping on file at all times a complete copy of the **Articles of Incorporation** and **Bylaws** of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any Member) and at the expense of the Cooperative, furnishing a copy of the **Bylaws** and all amendments thereto to any Member upon request; and
- f. In general, performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Board of Directors.

SECTION 8. Treasurer

Treasurer shall be responsible for insuring that the following duties are performed:

- a. Custody of all funds and securities of the Cooperative;
- b. The receipt and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit of all such monies in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these **Bylaws**, and general performance of all duties incident to office of Treasurer and such other duties as from time to time may be assigned Treasurer by the Board of Directors. At the pleasure of the Board of Directors, the office of Secretary/Treasurer may be combined.

SECTION 9. Assistant Secretary

There shall be an Assistant Secretary responsible for performing the duties of Secretary should the Secretary be unavailable. If the office of Secretary/Treasurer is combined, then this officer should be Assistant Secretary/Treasurer.

SECTION 10. Reports from Officers

The Chairman, Secretary and Treasurer of the Cooperative shall submit at each Annual Meeting of the Members reports covering Cooperative business of the Cooperative for the previous fiscal year and showing the condition of the Cooperative at the close of such fiscal year.

SECTION 11. Executive Committee

Except as otherwise provided by the Board, there is established:

(1) a Board executive committee is composed of the Chairman, Vice-Chairman, Secretary, Treasurer, Assistant Secretary and Assistant Treasurer (“Board Executive Committee”) and may act by a majority of its members; and

(2) the Board Executive Committee shall exercise the duties of the Board of Directors in emergency or exigent circumstances between meetings of the Board of Directors but shall report to the remainder of the Board their actions for ratification at the next Board of Directors meeting; shall consult with the President/CEO on the agenda for Board meetings; shall be the committee for all personnel matters concerning the President/CEO; and shall be the sounding board for the President/CEO in matters affecting the Cooperative staff and membership.

(3) The Executive Committee shall not be authorized to (a) amend the *Articles of Incorporation* or these *Bylaws*; (b) Adopt a plan of merger or consolidation; (c) Sell, Lease, exchange, or other disposition of all or substantially all of the property and assets of the Cooperative; or (d) make a voluntary dissolution of the Cooperative or a revocation thereof.

SECTION 12. Audit Committee

Except as otherwise provided by the Board, there is established an audit committee that is directly responsible for appointing, compensating, receiving reports from and overseeing the work of any registered public accounting firm employed by the Cooperative, including resolving disagreements between management and the auditor regarding financial reporting, for the purpose of preparing or issuing audit reports or related work, and each public accounting firm must report directly to the Audit Committee (“Board Audit Committee”). The Board Audit Committee shall establish procedures for: (1) the receipt, retention, and treatment of complaints received by the Cooperative regarding accounting, internal accounting controls, or auditing matters; and (2) the confidential, anonymous submission by employees of the Cooperative of concerns regarding questionable accounting or auditing matters. Each member of the Board Audit Committee shall be appointed by the Chairman who shall serve in an ex-officio capacity to the Board Audit Committee. The Board Audit Committee may engage independent counsel and other advisers, as it deems necessary to carry out its duties.

ARTICLE VII – FINANCIAL TRANSACTIONS

SECTION 1. Fiscal Year

The fiscal year of the Cooperative 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.

SECTION 2. Accounting System and Reports

Cooperative accounts shall be established and maintained in such form, subject to contractual obligations of the Cooperative, as the Board may prescribe. The Board shall also, after the close of each fiscal year, cause to be made by a certified public accountant a full and complete audit of accounts, books, and financial condition of the Cooperative as of the end of such fiscal year. An audit report shall be submitted to Members at each Annual Meeting.

SECTION 3. Deposits

All funds except petty cash of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks as the Board of Directors may select.

SECTION 4. Contracts

Except as otherwise provided in these *Bylaws*, the Board of Directors may authorize any officer or officers, agent or agents, or employees, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances and shall be contained in the Minutes of Board of Directors meetings.

SECTION 5. Checks, Drafts, Etc.

All checks, drafts, or other orders for payment of money, and all notes, bonds, or other evidences of indebtedness issued in the name of the Cooperative shall be signed and/or countersigned by such officer or officers, agent or agents, employee or employees, of the Cooperative and in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 6. Change in Electric Rates

In the event the Cooperative proposes any change in rates charged by the Cooperative, the Cooperative shall give written notice, in hard copy or electronic form, to the appropriate federal, state and local governmental agencies as required by the applicable statutes and regulations in effect at the time said rate change is proposed.

ARTICLE VIII – NON PROFIT OPERATION

SECTION 1. Interest or Dividends on Capital Prohibited

Cooperative shall at all times be operated on a cooperative, not-for-profit basis for mutual benefit of its Members. No interest or dividends shall be paid or payable by Cooperative on any capital furnished by its Members.

SECTION 2. Patronage Capital in Connection with Furnishing Electric Energy

In the furnishing of electric energy, the Cooperative's operation shall be so conducted that Members will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account, on a patronage basis, to its Members for all amounts received and receivable from the furnishing of electric energy, which is in excess of operating costs and expenses properly chargeable against the furnishing of electric energy. All such amounts in excess of operating costs and expenses at moment of receipt by the Cooperative are received with the understanding that they are furnished by the Members as capital. The Cooperative is obligated to allocate credits to a capital account for each Member all such amounts in excess of operating costs and expenses ("Capital Credits"). The books and records of the Cooperative 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 Member is clearly reflected and credited in an appropriate record to the capital account of each patron. All such amounts credited to the capital account of any Member shall have the same status as though they had been paid to the Member in cash in pursuance of a legal obligation to do so and the Member had then furnished the Cooperative corresponding amounts of capital.

Notwithstanding the above, the Board of Directors, at its discretion, may allocate Capital Credits for an individual Member, or class of Members based upon rates and cost-of-service for that Member or class.

In the event of dissolution or liquidation of Cooperative, after all outstanding indebtedness of the Cooperative 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 of Directors shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to Members' accounts may be retired in full or in part. Any such retirements of capital shall be made in such manner as the Board of Directors may in their sole discretion from time to time determine.

Capital credited to the account of each Member shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to the successors in interest or successors in occupancy in all or in a part of such Member's premises serviced by the Cooperative unless the Board of Directors, acting under policies of general application, shall determine otherwise.

The Members of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the *Articles of Incorporation* and *Bylaws* shall constitute and be a contract between the Cooperative and the Members are bound by such contract as fully as though each Member had individually signed a separate instrument containing such terms and provisions.

Notwithstanding any other provisions of these *Bylaws*, the Cooperative may set off the Capital Credits of a patron against the indebtedness of the Cooperative of said patron in an amount equal to the indebtedness plus interest on said principal indebtedness accruing at the highest legal rate allowed by law until such time as Capital Credits have been retired sufficiently to pay said debt.

Notwithstanding any other provisions of these *Bylaws*, the Board of Directors shall determine the time, manner and method for retirement and payment of allocated Capital Credits, with consideration given to the financial stability of the Cooperative.

SECTION 3. Patronage Refunds in Connection with Purchasing Electric Energy, Goods and Other Services

The Board of Directors shall have authority to adopt policies for identifying, investing, and paying to Members patronage allocated to the Cooperative from other organizations furnishing electrical services materials, equipment, financial services, computer services, supplies, or any other goods or services.

ARTICLE IX – MISCELLANEOUS

SECTION 1. Waiver of Notice

Any Member or board member may waive in writing any notice of a meeting required to be given by these *Bylaws*. The attendance of a Member or board member at any meeting shall constitute a waiver of notice of such meeting by such Member or board member, except in the case a Member or board member 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 convened.

SECTION 2. Policies, Rules and Regulations

The Board of Directors shall have power to make and adopt such policies, *Service Rules & Regulations*, not inconsistent with law, *Articles of Incorporation*, or these *Bylaws*, as it may deem advisable for the management of the business and affairs of the Cooperative.

SECTION 3. Area Coverage

The Board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who (a) desire such service, and (b) meet all reasonable requirements established by the Cooperative as a condition of such service.

SECTION 4. President/CEO

The Board of Directors shall appoint a President/CEO who may be, but who shall not be required to be, a Member of the Cooperative. The President/CEO shall perform such duties as the Board may from time to time require of him and shall have such authority as the Board may from time to time vest in him.

SECTION 5. Bonds of Officers

Any Cooperative officer or agent, or employee of the Cooperative charged with responsibility for the custody of any funds or property shall be bonded in such sum and with such surety as the Board of Directors shall determine, and the bond shall be paid by the Cooperative.

SECTION 6. Compensation

Powers, duties, and compensation of officers, agents, and employees shall be fixed by the Board of Directors.

SECTION 7. Articles of Incorporation

Any Member wishing to have the *Articles of Incorporation* amended may submit the proposed amendment to the Board of Directors or to any meeting of the Members. The Board of Directors may accept or reject the proposed amendment. If the Board accepts the amendment, the Board will then be guided by OCGA 46-3-361 and the other laws of the State of Georgia in proceeding to amend the *Articles of Incorporation*. Any resolution presented to a meeting of Members shall lay on the table until the next meeting of the Members, at which time the said resolution shall be voted on by the Members after having been given appropriate notice as set forth in OCGA (Official Code of Georgia Annotated) 46-3-361.

SECTION 8. Governing Law

These Bylaws must be governed by, and interpreted under, the laws of the State of Georgia.

SECTION 9. Titles and Headings

Titles and Headings of these Bylaw articles, sections and subsections are for convenience and reference, and do not affect the interpretation, construction, or application of a Bylaw article, section, or subsection.

SECTION 10. Partial Invalidity

When reasonably possible, every bylaw article, section, subsection, paragraph, sentence, clause, or provision (collectively, "Bylaw Provision") must be interpreted in a manner by which the Bylaw Provision is valid. The invalidation of a Bylaw Provision by an Entity possessing proper jurisdiction and authority, which invalidation does not alter the fundamental rights, duties, and relationship between the Cooperative and Members, does not invalidate the remaining Bylaw provisions.

SECTION 11. Cumulative Remedies.

The rights and remedies provided in these Bylaws are cumulative. The Cooperative or a Member asserting a right or remedy provided in these Bylaws does not preclude the cooperative or Member from asserting other rights or remedies provided in these Bylaws.

SECTION 12 Entire Agreement.

Between the cooperative and a Member, the Governing Documents: (1) constitute the entire agreement; and (2) supersede and replaces a prior or contemporaneous oral or written communication or representation.

SECTION 13. Waiver.

The failure of the Cooperative to assert a right or remedy provided in these Bylaws does not waive the right or remedy provided in these Bylaws.

SECTION 14. Lack of Notice.

The failure of a Member or Director to receive notice of a meeting, action, or vote does not affect, or invalidate, an action or vote taken by the Members or the Board.

SECTION 15. Assignment.

Members' rights and obligations are not assignable without the written consent of the Cooperative.

ARTICLE X – DISPOSITION OF PROPERTY

Cooperative may not sell, mortgage, lease or otherwise dispose of or encumber any of its property other than:

- a.** Property which in the judgment of the Board of Directors neither is nor will be necessary or useful in operating and maintaining the Cooperative system and facilities; provided, however, that all sales of such property shall not in any one (1) year exceed in value ten percent (10%) of the value of all of the property of the Cooperative.
- b.** Services of all kinds, including electric energy; and
- c.** Personal property acquired for resale unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a meeting of the Members by the affirmative vote of at least two-thirds (2/3s) and the notice of such proposed sale, mortgage, lease or other disposition or encumbrances shall have been contained in the notice of meeting; provided, however, that notwithstanding anything herein contained, the Board of Directors without authorization by the Members shall have full power and authority: **(1)** To borrow money from the United States of America or any agency or instrumentality thereof, and **(2)** To borrow money from a national financing institution organized on a cooperative plan for the purpose of financing its Members' programs, projects, and undertakings, in which the Cooperative holds membership; and **(3)** To borrow money from any other entity acceptable to the Board of Directors and in connection with such borrowing, to authorize the making and issuance of bonds, notes, or other evidences of indebtedness and to secure the payment thereof; to authorize the execution and delivery of a mortgage or mortgages, or deed or deeds of trust upon, to pledging or encumbering of any or all the property assets, rights, privileges, licenses, franchises, and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, all upon such items and conditions as the Board of Directors shall determine.

ARTICLE XI – SEAL

The corporate seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words “Corporate Seal, Georgia”.

ARTICLE XII – AMENDING BYLAWS

The Board of Directors may amend, alter or repeal *Bylaws*, except those *Bylaws* affecting election of the Board of Directors and calling of regular and special meetings of Members of the Cooperative, by an affirmative vote of not less than two-thirds (2/3s) of the Members of the Board of Directors at any regular meeting, provided notice of such meeting shall have contained a copy of the proposed changes. Those *Bylaws* affecting the election of the Board of Directors or the calling of regular and special meetings of the Members of the Cooperative may be altered, amended, or repealed by a majority vote of members voting at an Annual Meeting or special meeting in person or by mail ballot, as applicable, provided the Members have had at least fourteen (14) days’ notice of the proposed change prior to the meeting.

ARTICLE XIII – INDEMNIFICATION

The Board of Directors shall have the power to indemnify officers, Directors, employees and agents of the Cooperative and to purchase and maintain liability insurance on their behalf as allowed by the laws of the State of Georgia.