

BYLAWS  
OF  
THE SATILLA RURAL ELECTRIC MEMBERSHIP CORPORATION

ARTICLE I

MEMBERSHIP

SECTION 1. Requirements for Membership. Any person, firm, association, corporation, or body politic or subdivision thereof legally authorized to enter into a mutual legally binding contract for electric service will become a Member of THE SATILLA RURAL ELECTRIC MEMBERSHIP CORPORATION (hereinafter called the "Cooperative") upon receipt of electric service from the Cooperative, provided that he\*\* has first:

- a. Made application for membership therein, such application to be accompanied by any required membership fee, security deposit, contribution in aid of contribution and supplemental contract as determined by these Bylaws and the policies of the Cooperative.
- b. Agreed to purchase from the Cooperative electric energy as hereinafter specified.
- c. Agreed to comply with and be bound by the Articles of Incorporation and Bylaws of the Cooperative and Service Rules and Regulations adopted by the Board.\*
- d. Paid his\*\* membership fee hereinafter specified.
- e. Upon being requested, 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 Member, and in accordance with such reasonable terms and conditions as the Cooperative shall require for purposes included, but not limited to: (i) the furnishing of electric service to him\*\* or other Members; (b) for the construction, operation, maintenance or relocation of the Cooperative's electric equipment and facilities that provide or assist the Cooperative in providing electric service; or (c) authorizing, satisfying or facilitating an obligation incurred, or right granted, by the Cooperative regarding use of structures, facilities, easements, or other goods or property owned, controlled, operated, or furnished by the Cooperative.
- f. Satisfied all other conditions established for membership by the Board of Directors.

Member agrees that the Cooperative's provision of electric service to such Member is just and adequate compensation for any easements granted pursuant to this Section 1.

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. Membership Certificates. Membership in the Cooperative shall be evidenced by a membership certificate which shall be in such form and contain such provisions as shall be determined by the Board. Such certificate shall be signed in the facsimile by the Chairman of the Board and the Secretary of the Cooperative. 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 addition, no membership certificate shall be issued until all the requirements of Article I Section 1 hereof have been fully met. In case a certificate is lost, destroyed or mutilated a new certificate may be issued therefore upon such uniform terms and indemnity to the Cooperative as the Board may prescribe.

SECTION 3. Joint Membership. The term "Member" as used in these Bylaws shall be deemed to include a husband and wife holding a joint membership, and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. The term "joint membership" as used in these Bylaws shall mean a husband and wife who have applied jointly for electric service, each of whom has individually executed the application for membership. The term "joint member" as used in these Bylaws shall refer to either the husband or wife collectively holding a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect to 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 shall constitute one vote;
- c. A waiver of notice signed by either or both shall constitute one waiver;
- d. Notice to either shall constitute notice to both;
- e. Expulsion of either shall constitute the expulsion of both for the purpose of Article I, Section 6.02;
- f. Withdrawal of either shall constitute withdrawal of both for the purpose of Article I, Section 6.03;
- g. Either, but not both, may be elected or appointed as an officer or Board Member.

SECTION 4. Membership Fees. The membership fee shall be set by the Board of Directors from time to time. Nothing contained in this section shall be construed to prevent the Cooperative from requiring additional security deposits or other payments or agreements from any Member in order to prevent loss for electricity used, or for any other reason.

SECTION 5. Purchase of Electric Energy; Fitness of Premises. The Cooperative shall use its best efforts to furnish its Members with adequate and dependable electric service, although it cannot and does not guarantee a continuous and uninterrupted supply thereof; and each Member, for so long as such premises are owned or directly occupied or used by him shall purchase from the Cooperative all central station electrical power and energy used on all premises to which electric service has been furnished by the Cooperative pursuant to his membership, unless and except to the extent that the Board of Directors may in writing waive such requirement; and shall pay therefore at the times, and in accordance with the rules, regulations and rate schedules

(including any monthly minimum amount that may be charged without regard to the amount of electrical power and energy actually used) established by the Board of Directors.

All amounts paid for electric service in excess of the cost thereof shall be furnished by Members as capital, and each Member shall be credited with the capital so furnished as provided in these Bylaws.

Each Member shall (1) cause all premises receiving electric service pursuant to his membership to become, and to remain wired in accordance with the specifications of the National Electric Code, any applicable local government ordinances, and of the Cooperative; (2) furnish a location for the Cooperative electrical facilities; (3) not interfere with Cooperative equipment and prevent others from doing so; (4) provide such protective devices as the Cooperative may require; and (5) allow reasonable access to its premises to Cooperative employees and contractors for the purposes of work associated with the provision of electric service to the Cooperative's Members. Each Member shall be responsible for, and shall indemnify the Cooperative for any damages resulting from death, injury, loss or damage resulting from any defect in, or improper use of, or maintenance of, such premises, and all wiring and apparatus connected thereto or used thereon. In no event shall the responsibility of the Cooperative extend beyond the point at which its service wires are attached to the meter loop provided for measuring electricity used on such premises.

Membership in the Cooperative may, as determined by the Board of Directors, be terminated for the failure or refusal by a Member to comply with any of the provisions of the Articles of Incorporation, Bylaws or Service Rules and Regulations adopted by the Board, immediately upon such violation. Thereafter, upon the termination of such membership, such Member shall not be entitled to receive service, nor shall such Member be entitled to vote upon any matter at any special or general meeting of the membership or otherwise.

#### SECTION 6. Membership Suspension and Termination.

SECTION 6.01. Suspension; Reinstatement. Upon his failure, after the expiration of the initial time limit prescribed either in a specific notice to him, or in the Cooperative's generally publicized applicable rules and regulations, to pay the amounts due the Cooperative, or to cease any other non-compliance with his membership obligations, a person's membership shall automatically be suspended; and he shall not during such suspension be entitled to receive electric service from the Cooperative, or to cast a vote at any meetings of the Members. Payment of all amounts due the Cooperative, including any additional charges required for such reinstatement, and/or cessation of any other non-compliance with his membership obligations within the final time limit provided in such notice or rules and regulations shall automatically reinstate the membership, in which event the Member shall thereafter be entitled to receive electric service from the Cooperative and to vote at the meetings of its Members.

SECTION 6.02. Termination by Expulsion; Renewed Membership. Upon the failure of a suspended Member to be automatically reinstated to membership, as provided in Section 6.01, he may, without further notice, but only after due hearing before the Board of Directors if such is requested by him in writing, be expelled by the affirmative votes of a majority of the total

Directors in office at any subsequently held regular or special meeting of the Board. Any person so expelled may, by delivering written notice to that effect to the Cooperative at least ten (10) days prior to the next meeting of the Members, appeal to and be present and be heard at such meeting, at which the Members may vote approval of such expulsion or disapproval thereof, in which latter event such person's membership shall be reinstated retroactively to the date of his suspension.

After any final effective expulsion of a Member, he may not again become a Member except upon new application therefor duly approved by the Board of Directors. The Board of Directors may establish such additional terms and conditions for renewed membership as it determines to be reasonably necessary to assure the applicant's compliance with all his membership obligations.

SECTION 6.03. Termination by Withdrawal or Resignation. A Member may withdraw from membership upon such generally applicable conditions as the Board of Directors shall prescribe, including without limitation satisfying all obligations to the Cooperative, and upon either (a) ceasing to (or, with the approval of the Board of Directors, resigning his membership in favor of a new applicant who also shall) own or directly occupy or use all premises being furnished electric service pursuant to his membership, or (b) except when the Board of Directors specifically waives such condition, abandoning totally and permanently the use of central station electric service on such premises.

SECTION 6.04. Termination by Death or Cessation of Existence; Continuation of Membership in a Remaining Partner. Except as provided in Section 6.06, the death of an individual human Member shall automatically terminate his membership. The cessation of the legal existence of any other type of Member shall automatically terminate such membership; provided, that upon the dissolution for any reason of a partnership, or upon the withdrawal or addition of any individual partner, such membership shall continue to be held by such remaining partner or partners, including any additional partners, as continue to own or directly to occupy or use the premises being furnished electric service pursuant to such membership.

SECTION 6.05. Effect of Termination. Upon the termination in any manner of a person's membership, he or his estate, as the case may be, shall be entitled to a refund of his membership fee and his service security deposit(s), if any, less any amounts due the Cooperative; but neither he nor his estate, as the case may be, shall be released from any debts or other obligations then remaining due the Cooperative. Notwithstanding the suspension or expulsion of a Member, as provided for in Sections 6.01 and 6.02, such suspension or expulsion shall not, unless the Board of Directors shall expressly so elect, constitute such release of such person from his membership obligations as to entitle him to receive from any other person any central station electrical power and energy for use at the premises to which such service has theretofore been furnished by the Cooperative pursuant to such membership.

SECTION 6.06. Effect of Death, Legal Separation or Divorce upon a Joint Membership. Upon the death of either spouse of a joint membership, such membership shall continue to be held solely by the survivor, in the same manner and to the same effect as though such

membership had never been joint; provided, that the estate of the deceased shall not be released from any debts due the Cooperative and the surviving spouse shall not be entitled to a payment of a premature distribution of capital credits as provided in Article VII, Section 4 of these Bylaws. Upon the legal separation or divorce of the holders of a joint membership, such membership shall continue to be held solely by the one who continues directly to occupy or use the premises covered by such membership, in the same manner and to the same effect as though such membership had never been joint; provided, that the other spouse shall not be released from any debts due the Cooperative. Upon the request of a joint member for removal of the other joint member, the Board of Directors may grant such request.

SECTION 6.07. Transfer of Membership. Upon consolidation, merger or sale of substantially all its assets, a Member may transfer its membership to its corporate successor or the purchaser of such assets if such successor or purchaser is otherwise eligible for membership and has met the requirements for membership set forth in this Article I, upon satisfying or making adequate provisions for the satisfaction of all its liabilities and obligations to the Corporation and upon satisfying any additional terms and conditions the Board of Directors may establish for such transfer, including, without limitation, the payment of a reasonable fee for the transfer.

## 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 the Members and former Members in the proportion which the aggregate patronage of each bears to the total patronage of all Members during the ten 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 by virtue of his status as such shall be liable or responsible for any debts or liabilities of the Cooperative.

## ARTICLE III

### MEETING OF MEMBERS

SECTION 1. Annual Meeting. The Annual Meeting of the Members shall be held during the months of September, October, November, or December of each year at such date, time and place within a county served by the Cooperative, as selected by the Board, and which shall be

designated in the notice of the meeting, for the purpose of electing Board Members, 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. Failure to hold an Annual Meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

SECTION 2. Special Meetings. Special meetings of the Members may be called by resolution of the Board or upon written request signed by any five Board Members or by twenty-five per centum or more of all the Members, 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 such date, time and place within one of the counties served by the Cooperative as designated by the Board, and shall be specified in the notice of the special meeting.

SECTION 3. Notices.

SECTION 3.01. Notice of Members' Meetings. Written or printed notice stating the place, date 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 to each Member not less than five (5) days nor more than ninety (90) days before the date of the meeting. 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 Cooperative, 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. Further, the attendance in person of a Member at any meeting of the Members shall constitute a waiver of notice of time, place and purpose of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business, or one or more items of business, on the grounds that the meeting was not lawfully called or convened, and such person or persons files in writing such objection, with the Secretary of the Cooperative, at the time of his or her attendance. Notice as provided for in this section may be given by means of publication in the Satilla REMC newsletter.

SECTION 3.02. Notice of Motion From the Floor. Any Member intending to bring a motion to the floor for consideration at the Annual Meeting must notify the President/Chief Executive Officer of his intent, in writing, at least seventy-five (75) days prior to the date of the Annual Meeting at which said motion will be considered. The notification must contain a written copy of the motion to be considered as well as the signature, printed name, and address of the Member proposing said motion.

SECTION 4. Quorum. At least two hundred fifty (250) Members 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. When a quorum is once present to organize a meeting, the Members who remain present may continue to do business at the

meeting, or of any adjournment thereof, notwithstanding the withdrawal of enough Members to leave less than a quorum.

SECTION 5. Voting Guidelines and Procedures.

SECTION 5.01 Member Voting. Each Member who is not in a status of suspension, as provided in Article I, Section 6.01, shall be entitled to one (1) vote, and no more (irrespective of the number of accounts that the Member may have with the Cooperative), upon any matter submitted to the membership for a vote. If a quorum is present at a meeting of Members, the affirmative majority vote of the Members present and voting at such meeting shall be the act of the membership, unless the vote of a greater number is required by law, the Articles of Incorporation, or these Bylaws.

SECTION 5.02 Voting/Joint Membership. If a husband and wife hold a joint membership, they together shall be entitled to one (1) vote, and no more, upon each matter submitted to a vote at a meeting of the Members. The act of voting by one of such joint Members, binds both Members and will be considered the vote of both Members and neither of the joint Members will be entitled to any additional vote by virtue of receiving electric services from the Cooperative individually on any other account.

SECTION 5.03 Voting Districts. A person is considered to be a Member and may exercise the right to vote as a Member in the District where the Member resides permanently. If a Member does not receive electric service from the Cooperative in the District where the Member resides, but is a Member of the Cooperative by virtue of an account in another District served by the Cooperative, then the Member's vote will be in the District which is the basis of his membership. If a Member does not reside in any part of the Cooperative's Service Area, but is a Member by virtue of having a valid account in one or more of the Districts served by the Cooperative, then the Member shall be entitled to vote in the District which is the basis of his membership. A Member is entitled to vote in only one voting District.

Voting Districts shall be as follows:

- District I – Appling
- District II – Atkinson
- District III – Bacon
- District IV – Coffee, Irwin, Ben Hill
- District V – Jeff Davis
- District VI – Pierce, Brantley
- District VII – Ware
- District VIII – Wayne

SECTION 5.04 Voting Non-Human Entities. Voting by persons on behalf of non-human Members such as corporations, non-incorporated associations, associations and churches, and the like, shall be allowed only upon the presentation to the Cooperative prior to, or upon registration at, each annual or special Member meeting, satisfactory evidence entitling the person to cast a vote on behalf of any such non-human Member, with the following exception - In the case of

mail-in ballot voting for the election of Directors, satisfactory evidence entitling the person to cast a vote on behalf of any such non-human Member, shall be required to be presented prior to voting or included as a part of the completed mail-in ballot. Any question of sufficiency of satisfactory evidence entitling a person to vote for a non-human Member shall be decided by a majority decision rendered by the Credentials and Election Committee, whose members will be named by the Board prior to the Annual Meeting, as provided for in Article IV, Section 8 of the Bylaws. Any decision rendered by a majority vote of the said Credentials and Election Committee so named shall be final.

SECTION 5.05 Manner of Voting and Election of Directors. Directors shall be elected to fill the seats for those Directors whose terms are expiring at each Annual Meeting. Voting shall be by secret written ballot as prescribed in Sections 5.06, 5.07, and 5.08 below; provided, however, that when a nominee nominated by the Nominating Committee has no opposition, secret written ballots shall be dispensed with in respect to that particular election and said nominee shall be elected at the Annual Meeting of the Members by acclamation or in any other proper manner. In contested elections, Directors shall be elected by a plurality of the votes cast by Members. In the event of a tie vote, the winner shall be determined by a drawing of lots.

SECTION 5.06 Ballots. As soon as practicable after the time for making nominations is closed, the Credentials and Election Committee shall meet and determine the persons duly nominated and shall cause ballots to be prepared for each Director election for which there is more than one nominee. Each ballot shall:

- a. have printed thereon the name of each person duly nominated, the manner by which each nomination was made and identify the incumbent, if any;
- b. have printed thereon or be accompanied by instructions as to the method by which a vote for a particular candidate shall be indicated;
- c. have printed thereon a notice as to the time and date by which the ballot must be received and location as to where the ballot is to be returned;
- d. such other information as the Credentials and Election Committee shall deem appropriate to assist the Members in casting their ballot.

SECTION 5.07 Distribution of Ballots. The Credentials and Election Committee shall prescribe the form of the ballots and cause the ballots to be mailed to Members in good standing on the record date set by the Cooperative.

SECTION 5.08 Conduct of Election. Each Member desiring to vote shall mark his/her ballot according to the instructions of the Credentials and Election Committee and shall return the ballot on or before the date specified by the Credentials and Election Committee as set forth on the ballot. The only ballots which shall be counted are those that:

- a. are cast by Members, or in the case of non-human entities, the qualified representative, in good standing. Deadline for the determination of membership shall be the record date set by the Cooperative;
- b. have been returned to the prescribed location on or before the date specified by the Credentials and Election Committee; and



- c. comply with all requirements by these Bylaws and rules and regulations and instructions prescribed by the Credentials and Election Committee.

SECTION 5.09 Receipt, Counting and Disposition. The receipt, counting and disposition of ballots and voting results shall be as follows:

- a. The Credentials and Election Committee shall cause to be established a lock box for the receipt of ballots. The Credentials and Election Committee shall select, prior to the mailing of ballots, a Certified Public Accounting firm to act as a receivership for the returned ballots.
- b. Upon the expiration of the date and the time established for receipt of ballots, a meeting of the Credentials and Election Committee shall be held for the purpose of verifying the ballots and tallying and certifying all votes cast in the election process as prescribed in Article IV, Section 9 of the Bylaws.
- c. Once votes have been verified and tallied, the results shall be sealed and held for delivery by a representative of the designated Certified Public Accounting firm, to the Attorney of the Cooperative at the appropriate time for the purpose of reporting on the election of Directors.
- d. If the candidate(s) nominated by the Nominating Committee should decline such nomination, or be determined to be ineligible and disqualified from such nomination, dies or otherwise becomes incapable of serving during the time subsequent to the mailing of the ballots and prior to the verification, tallying and certification process of the Credentials and Election Committee, then all ballots cast in the election for the District represented by the nominee shall be null and void and the process for the election shall proceed as prescribed in Article IV, Section 10 of the 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:

- a. Report on the number of Members present in person in order to determine the existence of a quorum.
- b. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of the notice of the meeting, as the case may be.
- c. Reading of unapproved minutes of previous meetings of the Members and the taking of necessary action thereon.
- d. Presentation and consideration of reports of Officers, Directors, and Committees.
- e. Announcement of election results.
- f. Unfinished business.
- g. Adjournment.

Notwithstanding the foregoing, the Board may from time to time establish a different order of business for the purpose of assuring the earlier consideration of and action upon any items of business the transaction of which is necessary or desirable in advance of any other items of

business; provided, no business other than adjournment of the meeting to earlier time and place may be transacted unless and until the existence of a quorum is first established.

#### ARTICLE IV

#### BOARD MEMBERS

SECTION 1. General Powers. The business and affairs of the Cooperative shall be managed by the Board which shall exercise all of the powers of the Cooperative except such as are by law, the Articles of Incorporation or these Bylaws conferred upon or reserved to the Members.

SECTION 2. Qualifications. No person shall be eligible to become or remain a Board Member of the Cooperative unless:

- a. he/she is a Member in good standing and his/her principal residence is in the District served or to be served by the Cooperative and he/she receives service at such residence; and
- b. he/she is a natural person of the age 18 or older; and
- c. he/she has not been convicted of a felony under state or federal law; and
- d. he/she was not an employee of the Cooperative within one (1) year prior to the time when he/she is submitted to the Cooperative's membership for election or is considered by the Board of Directors to fill a vacancy; and
- e. he/she is in no way employed by a competing enterprise or a business or other entity selling electric energy. For the purpose of this requirement, "employed" means either acting as an employee of or consultant to the prohibited entities; and
- f. he/she is in no way employed by a business from which the Cooperative is presently obtaining services or supplies in an amount in excess of \$25,000 in a calendar year. For the purpose of this requirement, "employed" means either acting as an employee of or consultant to the prohibited entities; and
- g. he/she does not own a controlling interest in a competing enterprise, a business or other entity selling electric energy, or a business from which the Cooperative is presently obtaining services or supplies. For the purpose of this requirement, a "controlling interest" shall mean sufficient control to materially affect the management of any such entities.

Upon establishment of the fact that a Board Member is holding the office in violation of any of the foregoing provisions, that Board Member shall automatically be removed 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 3. District Directors. The territory served by the Cooperative shall be divided into eight (8) Districts. Each District shall be represented by one Director. The Districts are as follows:

District I – Appling  
District II – Atkinson  
District III – Bacon  
District IV – Coffee, Irwin, Ben Hill  
District V – Jeff Davis  
District VI – Pierce, Brantley  
District VII – Ware  
District VIII – Wayne

SECTION 4. Term of Directors. Each Director shall serve for a term ending on the date of the third annual meeting of the Members following the annual meeting at which such Director is elected. Each Director shall serve until his successor is elected or appointed and qualified or until his earlier death, resignation or removal.

SECTION 5. Nominations. It shall be the duty of the Board of Directors to appoint, prior to the next Annual Meeting, a committee on nominations consisting of three (3) Members from each District in which a Director is to be elected (the “Nominating Committee”). The Members on any such Nominating Committee must not be candidates for Director, incumbent Directors, or close relatives (third cousin or closer) of known candidates for Directors, or incumbent Directors, and such Members of the Nominating Committee must not be Cooperative officers, employees or agents. The Nominating Committee shall prepare and post at the principal office of the Cooperative at least one hundred and five (105) days prior to the Annual Meeting, its nomination(s) for the office of Director for the counties represented by the Nominating Committee. Any one hundred fifty (150) or more Members from any District from which a Director is to be elected, acting together, over their signatures, and not less than ninety (90) days prior to the meeting, may make an additional nomination; provided that the signatures on all such nominations will be subject to verification (for the purpose of verification, the Member’s name shall be printed next to the Member’s signature). Should the ninetieth (90<sup>th</sup>) day fall upon a weekend or holiday, then said petition shall be due by 4:00 p.m. on the last working day prior to the weekend or holiday on which the ninetieth (90<sup>th</sup>) day actually occurs. The President/Chief Executive Officer, upon being personally presented with any such additional nomination(s) shall, immediately following verification of the validity of the petition by the Credentials and Election Committee, post such nomination(s) at the same place where the committee nominations are posted. No action taken by any Nominating Committee may be amended, repealed or in any way overruled by the Board of Directors, any committee thereof, or the Members.

The Secretary shall mail to the Members, with the notice of the meeting, or separately, but in any event at least five (5) days prior to the meeting, a statement of the names and addresses of each nominee, and opposing nominee(s), if any, showing nominee(s) nominated by the Nominating Committee separately from the nominee(s) nominated by petition, if any. After all nominations by the Nominating Committee and nomination(s) by petition, if any, have been verified and duly posted within the time limits prescribed above, the nominations will be closed, and there will be no nominations made from the floor, and there will be no write-in candidates. Provided, however, that one or more nominations may be made from the floor under the provisions set forth in Article IV, Section 10 – Special Nominations and Elections. No

Member of one District shall have any right to vote for the Director of another District, except (a) Brantley District Members who will vote with Pierce District Members for a Pierce District Director, (b) and Irwin and Ben Hill District Members who will vote with Coffee District Members for a Coffee District Director.

SECTION 6. . Removal of Board Member by Members. Any Member may bring charges against a Board Member and, by filing with the Secretary such charges in writing together with a petition, signed by at least ten per centum (10%) of the Members, may request the removal of such Board Member by reason thereof. Such Board Member shall be informed in writing of the charges at least ten (10) 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 Board Member shall be considered and voted upon at the meeting of the Members, and any vacancy created by such removal shall be filled by the Board of Directors for the unexpired portion of the term.

SECTION 7. Vacancies. Any other vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining Board Members for the unexpired portion of the term.

SECTION 8. Compensation. Board Members recognize that serving as a Director is a public service and personal sacrifice. Remuneration for service is not their objective; however, the Board of Directors may by resolution authorize a fixed sum for each day or portion thereof actually spent attending authorized meetings or committees thereof as follows:

- a. Cooperative Board and Committee Meetings - The Board of Directors may by resolution authorize a per diem for each day or portion thereof spent attending co-op Board meetings or committee meetings of the Board of Directors. A fixed sum in addition to per diem may be paid to officers of the Board for their duties. Mileage to and from such meeting will be paid at a rate approved by the Board. Actual necessary out-of-pocket expenses shall be paid in addition to per diem and mileage.
- b. GEMC, OPC, NRECA, CFC, RUS and Committee Meetings - The Board of Directors may by resolution authorize a per diem which may be different from amount approved under Paragraph (a) above. Actual necessary out-of-pocket expenses shall be paid in addition to per diem and mileage.
- c. Compensation for Attendance at Other Meetings - No per diem will be allowed for attendance at meetings other than GEMC, OPC, NRECA, CFC, and RUS. Out-of-pocket expenses including mileage, hotel, meals, and travel will be allowed but Board approval shall be obtained prior to attendance if the Cooperative is expected to pay.

SECTION 9. Credentials and Election Committee. The Board of Directors shall, at least ten (10) days before any meeting of the Members held for the purpose of the election of Directors, appoint a Credentials and Election Committee. The Credentials and Election

Committee shall consist of eight (8) Members (one (1) committee Member representative from each District) 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 hereinafter defined) or members of the same household thereof. The Credentials and Election Committee shall, on an annual basis, elect its own chairman and secretary prior to the Member meeting. The chairman shall take such action, as may be deemed necessary, to eliminate any tie vote that may arise on any business brought before the Credentials and Election Committee. It shall be the responsibility of the Credentials and Election Committee to establish or approve 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, to cause to be counted 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 Credentials and Election 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 the adjournment of, the meeting in which the election is conducted and/or the election results are announced. The Credentials and Election Committee shall thereupon be reconvened, upon notice from its chairman, not more than seven (7) days after such protest or objection is filed. The Credentials and Election 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 Credentials and Election Committee, by a vote of a majority of those present and voting, shall, within a reasonable time but not later than thirty (30) 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 Credentials and Election 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 Credentials and Election Committee, on request of the person presiding at the meeting of the Members or on the request of any Member thereat, such Credentials and Election Committee shall make a report in writing of any challenge, question, count, or matter determined by the Credentials and Election 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. Any member of the Credentials and Election Committee related within the third degree by affinity or consanguinity computed according to the civil law to any candidate for Director shall refrain from participating in any deliberation or vote of the Credentials and Election Committee concerning such candidate. No action taken by the Credentials and Election Committee may be amended, repealed, or in any way overruled by the Board of Directors, any committee thereof, or the Members.

SECTION 10. Special Nominations and Elections. Nominations from the floor at the Annual Meeting of the Members shall be allowed if any nominee(s) nominated by the Nominating Committee shall have declined such nomination, or be determined to be ineligible

and disqualified from such nomination, or has died or otherwise becomes incapable of serving subsequent to the expiration of the time limit for nominations as set forth in Article IV, Section 5 of the Bylaws or, in the case of a contested election, prior to the certification of the election results by the Credentials and Election Committee.

If there is more than one nominee, a Special Election shall be held. Members eligible to vote in the District of the Special Election shall be notified by mail of the procedures related to the Special Election and identifying the qualified candidates. The Credentials and Election Committee shall prescribe the form of the ballots and cause the ballots to be mailed to the members in good standing on the record date set by the Cooperative but not more than ninety (90) days following the close of the Annual Meeting of the Members at which the nomination(s) was made. The Credentials and Election Committee shall set the time period of the mailing and receipt of ballots.

The election shall be conducted according to the procedures set forth in Article III, Sections 5.06, 5.07, 5.08 and 5.09 of the Bylaws of the Cooperative. Members shall be informed of election results by mail.

If no nominations are made from the floor and the remaining nominee has no opposition, then the nominations will be closed and the nominee, nominated by petition, shall be elected by acclamation or in any other proper manner. However, in the event there is more than one nominee by petition, then the remaining nominees shall stand for election under the procedures set forth above for Special Elections.

SECTION 11. Power to Appoint Committees. Except where the composition of a committee is established by these Bylaws, the Chairman of the Board may establish (and abolish) committees comprised of Directors and others. Such committees shall not have any of the powers of the Board of Directors, and shall perform such functions as are assigned specifically to them for the purpose of advising or making recommendations to the Board of Directors. When establishing (and abolishing) such committees, the Chairman of the Board shall comply with such policies, rules and regulations, if any, as may from time to time be adopted by the Board of Directors with respect to such committees. A majority of the full Board of Directors may also establish (and abolish) committees of the Board pursuant to Section 46-3-297 of the Georgia Electric Membership Corporation Act.

## ARTICLE V

### MEETING OF BOARD

SECTION 1. Regular Meeting. A regular meeting of the Board shall normally be held monthly without notice other than the notice provided by Article V, Section 1, and may be held at any time, date and place in the State of Georgia as designated by the Chairman of the Board, or as provided by resolution of a majority of the Board of Directors. Such regular monthly meeting may be held without notice other than such resolution fixing the time, date and place

thereof. A regular meeting of the Board shall be held immediately following the Annual Meeting of Members.

SECTION 2. Special Meetings. Special meetings of the Board may be called by the Chairman of the Board or by any five (5) Board Members, and it shall be the duty of the person or persons authorized to call special meetings to cause notice of such meetings to be given as hereinafter provided. The Chairman of the Board or Board Members calling the meeting shall fix the time, date and place for the holding of the meeting.

SECTION 3. Notice of Special Board Meeting. Written notice of the time, date, place and purpose of any special meeting of the Board shall be delivered to each Member of the Board, either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the Chairman of the Board or the Board Members calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Board Member at his address as it appears on the records of the Cooperative, with postage thereon prepaid, at least three (3) days before the date set for the meeting. Notice of a special meeting can be dispensed with if all Directors sign a waiver of notice of such meeting. The failure of any Director to receive notice of a meeting of Directors shall not invalidate any action taken by the Board of Directors at such meeting.

SECTION 4. Quorum. A majority of the Board shall constitute a quorum, provided, that if less than such majority of the Board is present at said meeting, a majority of the Board present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent Board Member of the time, date and place of such adjourned meeting. The act of a majority of the Board Members present at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in these Bylaws.

SECTION 5. Written Consent of Directors. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a written consent, setting forth the action so taken, is signed by all the Directors and filed with the minutes of the proceedings of the Board of Directors.

SECTION 6. Attendance at Board Meetings by Telephone or Other Telecommunications Device. If no other Director objects, a Director may attend and participate in a Board meeting by being continuously connected thereto by telephone or other telecommunications device in such a manner that he may speak to and be heard by such meeting and all other Directors there present may speak to and be heard by him, and he may hear all others at the meeting speaking to the meeting.

## ARTICLE VI

### OFFICERS

SECTION 1. Officers: Qualifications. The officers of the Cooperative shall be a Chairman of the Board, a Vice Chairman of the Board, a Secretary, a Treasurer, and a President/Chief Executive Officer. The Chairman of the Board, Vice Chairman of the Board, the Secretary and Treasurer shall be Directors. Any two or more offices may be held by the same person, except the offices of Chairman of the Board, President/Chief Executive Officer and Secretary.

SECTION 2. Election and Term of Office of Officers. The Chairman of the Board, Vice Chairman of the Board, Secretary and Treasurer shall be elected annually at the first meeting of the Board of Directors held after the Annual Meeting of the Members, or as soon thereafter as practicable. Each such officer shall hold office until the first meeting of the Board of Directors following the next succeeding Annual Meeting of the Members, and until his successor shall have been elected or appointed and shall have qualified, or until his earlier resignation, removal from office, or death. The President/Chief Executive Officer shall be appointed by the Board of Directors and shall hold office until his successor shall have been appointed and shall have qualified, or until his earlier resignation, removal from office, or death.

SECTION 3. Removal of Officers and Agents by the Board. 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 Cooperative will be served thereby. In addition, any Member of the Cooperative may bring charges against an officer, and filing with the Secretary such charges in writing together with a petition signed by ten per centum (10%) of the Members 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 (10) 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. Chairman of the Board. The Chairman of the Board shall:

- a. preside at meetings of the Members and of the Board of Directors and oversee the management of the Cooperative by the President/Chief Executive Officer;
- b. have the power to sign any deeds, mortgages, contracts or other documents 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 the Bylaws to some other officers or agents of the Cooperative, as shall be required by law to be otherwise signed and executed; and
- c. have such other duties and powers as are incident to his office and such other duties and powers as may be prescribed by the Board of Directors from time to time.

SECTION 5. Vice Chairman of the Board. In the absence of the Chairman of the Board, or in the event of his inability or refusal to act, the Vice Chairman of the Board shall perform the duties of the Chairman of the Board, and when so acting, shall have all the powers and duties of



the Chairman of the Board. The Vice Chairman of the Board shall perform such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 6. Secretary. The Secretary shall be responsible for:

- a. keeping the minutes of the meetings of the Members and of the Board in books 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. signing in facsimile, with the Chairman of the Board, certificates of membership, the issue of which shall have been authorized by the Board of Directors or the Members;
- f. 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 of all amendments thereto to any Member upon request; and
- g. in general, performing 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 be responsible for:

- a. custody of all funds and securities of the Cooperative;
- b. the receipt of 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
- c. the general performance of all the duties incident to the office of Treasurer and such duties as from time to time may be assigned to him by the Board.

SECTION 8. President/Chief Executive Officer. The Board may appoint a President/Chief Executive Officer who may be, but who shall not be required to be, a Member of the Cooperative. The President/Chief Executive Officer shall:

- a. manage the day-to-day operations and activities of the Cooperative;
- b. subject to such Corporate Policies as are established by the Board of Directors from time to time, have the power to enter into and execute contracts on behalf of the Cooperative and to sign certificates, contracts or other instruments on behalf of the Cooperative; and
- c. have such other duties and powers as are incident to his office and such other duties and powers as may be prescribed by the Board of Directors from time to time.

SECTION 9. Bonds of Officers. The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded 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 Cooperative to be bonded in such amount and with such surety as it shall determine.

SECTION 10. Compensation. The powers, duties and compensation of officers, Board Members, agents and employees shall be fixed by the Board subject to the provisions of these Bylaws.

SECTION 11. Reports. The officers of the Cooperative shall submit at each Annual Meeting of the Members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

SECTION 12. Offices. The Board of Directors shall have the power to create additional officers of the Cooperative and shall set forth the duties of any such officers created.

## ARTICLE VII

### NON-PROFIT OPERATION

SECTION 1. Non-Profit Basis of Operation. The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons. The patrons 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 legal obligation between the Cooperative and each patron, and both the Cooperative and the patrons are bound by such, 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 posted in a conspicuous place in the Cooperative's office.

SECTION 2. Patronage Capital in Connection with Furnishing Electric Energy. In the furnishing of electric energy the Cooperative's operations shall be so conducted that all patrons 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 patrons for all amounts received and receivable from the furnishing of electric energy 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 the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons as capital.

The Cooperative 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 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 patron 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 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 Cooperative corresponding amounts for capital.

SECTION 3. Allocation of Capital Credits. Consistent with this bylaw, the allocation of capital credits is in the discretion of the Board and the Board shall determine the manner, method and timing of allocating capital credits. As reasonable and fair, the Cooperative may allocate capital credits to classes of similarly situated patrons under different manners, methods, and timing, provided the Cooperative allocates capital credits to similarly situated patrons under the same manner, method, and timing. The Cooperative may use or invest unretired capital credits as determined by the Board.

If the Cooperative is a member, patron, or owner of an entity from which the Cooperative purchases a good or service used by the Cooperative in carrying out the provision of electric service and from which the Cooperative is allocated a capital credits or similar amount, then as determined by the Board and consistent with this bylaw, the Cooperative may separately identify and allocate to the Cooperative's patrons these capital credits or similar amounts allocated by the entity.

SECTION 4. Retirement of Capital Credits. At any time prior to dissolution, liquidation, or other cessation of existence, the Cooperative may generally retire and pay some or all capital credits allocated to patrons and former patrons, contingent upon the Board's determination that the financial condition of the Cooperative will not be impaired thereby. Consistent with this bylaw, the retirement and payment of capital credits are in the discretion of the Board and the Board shall determine the manner, method, and timing of retiring and paying capital credits. As reasonable and fair, the Cooperative may retire and pay capital credits to classes of similarly situated patrons under different manners, methods, and timing, provided the Cooperative retires and pays capital credits to similarly situated patrons under the same manner, method, and timing. After retiring capital credits allocated to a patron or former patron, the Cooperative may recoup and/or offset any amount owed to the Cooperative by the patron or former patron, including any compounded interest and late payment fee, by reducing the amount of retired capital credits paid to the patron or former patron by the amount owed.

Upon the death of an individual patron or former patron, upon receiving a written request from the deceased individual's legal representative, and under the terms and conditions agreed upon by the Cooperative and the deceased individual's legal representative, the Cooperative may specially retire some or all capital credits allocated to the individual.

If the Cooperative separately identified and allocated capital credits representing capital credits or similar amounts allocated to the Cooperative by an entity in which the Cooperative is or was a member, patron, or owner, then the Cooperative may retire and pay these capital credits before or after the entity retires and pays the capital credits or similar amounts to the Cooperative.

In the event of dissolution, liquidation, or other cessation of existence of the Cooperative, and 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.

The Cooperative may impose a reasonable account service charge to a patron or former patron failing to claim capital credits retired and paid to the patron or former patron.

SECTION 5. Assignment of Capital Credits. Capital credited to the account of each patron shall be assignable only on the books of the Cooperative 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 Cooperative unless the Board, acting under policies of general application, shall determine otherwise.

SECTION 6. Interest or Dividends on Capital Prohibited. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

## ARTICLE VIII

### DISPOSITION OF PROPERTY

The Cooperative 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 Cooperative, 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 of the Cooperative 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 Cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon terms and conditions as the Board shall determine, to secure any indebtedness of the Cooperative to the United States of America, or any instrumentality or agency thereof, or to a national financing institution, organized on a cooperative plan, for the purpose of financing its Members' programs, projects and undertakings, in which the corporation holds membership, or to any other entity; provided further that the Board may upon the authorization of a majority of those Members of the Cooperative present at a meeting of the Members thereof sell, lease, or otherwise dispose of all or a substantial portion of its property to another cooperative or foreign corporation doing business in this State pursuant to the Act under which this Cooperative is incorporated.

## ARTICLE IX

### SEAL

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

## 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 Cooperative, and such authority may be general or confined to specific instances, except as otherwise provided in the Articles of Incorporation and these Bylaws.

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 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.

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 may select.

SECTION 4. Change in Rates. Written notice shall be given to the Administrator of the Rural Utilities Service of the United States of America not less than ninety (90) days prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy becomes effective.

SECTION 5. Fiscal Year. The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the last day of December in the same year.

## ARTICLE XI

### MISCELLANEOUS

SECTION 1. Membership in Other Organizations. The Cooperative is authorized to become a Member of, or purchase stock in any electric membership corporation or any other non-profit corporation or associations, such as Chambers of Commerce, educational institutions, corporations or associations engaging in the cause of furthering rural electrification, rural telephones and the like. The Board is authorized to consider and approve such memberships, or such stock purchases, after presentation to the Board at any regular or special meeting. Purchase of assets, stock or membership in profit organizations shall be governed by Article VIII of these Bylaws.

SECTION 2. 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 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 3. Policies, Rules and Regulations. The Board 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 of the business and affairs of the Cooperative.

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 the Rural Utilities Service of the United States of America. The Board shall also, within thirty (30) days after the close of each fiscal year, cause to be made by a certified public accountant a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. A report of such audit shall be submitted to the Members at the next following Annual Meeting.

SECTION 5. Area Coverage. The Cooperative will design and install an electric distribution system with good engineering practices to all eligible unserved entities within its service territory that desire electric service and meet all reasonable requirements established by the Cooperative as a condition of service and in accordance with the Cooperative's Service Rules and Regulations.

The Cooperative shall extend electric service to all facilities deemed permanent, non-seasonal and in use full-time with no impact fee, providing such service does not impose a disproportionate burden on the membership of the Cooperative. Should such electric facility extensions exceed economically feasible costs or the Cooperative's preferred method of service is not acceptable to the Member a non-refundable impact fee may be required.

## ARTICLE XII

### AMENDMENTS

These Bylaws may be altered, amended or repealed by the affirmative vote of not less than 100% of the members of the Board of Directors at any regular or special meeting of the Board, provided that the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal; however, the Board shall not have the power to adopt or amend any Bylaws affecting the election of the Board of Directors. Any amendment affecting the election of the Board of Directors may only be made by the Members at the Annual Meeting or a special meeting of the Members.

Any Bylaw amendment to be considered by the Members must be approved by the affirmative vote of the Members present at a meeting of the Members at which a quorum is present, provided notice of such meeting containing a copy of the proposed amendment must be given not less than forty-five (45) days prior thereto.

A minimum of forty-five (45) days prior to the Annual Meeting of the Members, notice will be mailed to the membership of all Bylaw alterations, amendments and repeals approved by the Board of Directors since the previous Annual Meeting. After such notice has been mailed, the Bylaws cannot be altered, amended, or repealed until after the conclusion of the forthcoming Annual Meeting. Any action taken by the Board related to the alteration, amendment or repeal of a Bylaw provision may be reversed by the action of the Members at such Annual Meeting.

### ARTICLE XIII

#### INDEMNIFICATION AND INSURANCE

SECTION 1. Indemnification. The Cooperative shall indemnify each person who is or was a Director, officer, employee or agent of the Cooperative (including the heirs, executors, administrators or estate of such person) or is or was serving at the request of the Cooperative as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise to the full extent permitted under Sections 46-3-306(b), (c) and (d) of the Georgia Electric Membership Corporation Act or any successor provisions of the laws of the State of Georgia. If any such indemnification is requested pursuant to Sections 46-3-306(b) or (c) of said Act or laws, the Board of Directors shall cause a determination to be made (unless a court has ordered the indemnification) in one of the manners prescribed in Section 46-3-306(e) of said Act or laws as to whether indemnification of the party requesting indemnification is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 46-3-306(b) or (c) of said Act or laws. Upon any such determination that such indemnification is proper, the Cooperative shall make indemnification payments of liability, cost, payment or expense asserting against or paid or incurred by him in his capacity as such a director, officer, employee or agent to the maximum extent permitted by said Sections of said Act or laws. The indemnification obligation of the Cooperative set forth herein shall not be deemed exclusive of any other rights, in respect of indemnification or otherwise, to which any party may be entitled under any other bylaw provision or resolution approved by the Members pursuant to Section 46-3-306(g) of said Act or laws.

SECTION 2. Insurance. The Cooperative may purchase and maintain insurance at its expense, to protect itself and any Director, officer, employee or agent of the Cooperative (including the heirs, executors, administrators or estate of any such person) against any liability, cost, payment or expense described in Section 1 of this Article XIII, whether or not the Cooperative would have the power to indemnify such person against such liability.