

**BYLAWS OF  
THE LITTLE OCMULGEE  
ELECTRIC MEMBERSHIP  
CORPORATION**

**ALAMO, GEORGIA**

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ARTICLE	SECTION	SUBJECT	CONTENTS	PAGE
I		<b>MEMBERSHIP</b>		
	1.01	Eligibility		1
	1.02	Application for Membership; Renewal of Prior Application		1
	1.03	Membership Fees; Service Connection Deposit or Fee, Service Security Deposit, Contribution in Aid of Construction		1
	1.04	Joint Membership		1
	1.05	Acceptance into Membership		2
	1.06	Purchase of Electric Power and Energy		2
	1.07	Excess Payments to be Credited as Member-Furnished Capital		2
	1.08	Wiring of Premises; Responsibility Therefor; Responsibility for Meter Tampering or Bypassing and for Damage to Cooperative Properties		2
	1.09	Member to Grant Easement for Cooperative if Required		3
II		<b>MEMBERSHIP SUSPENSION AND TERMINATION</b>		
	2.01	Suspension; Reinstatement		3
	2.02	Termination by Expulsion; Renewed Membership		3
	2.03	Termination by Withdrawal or Resignation		4
	2.04	Termination by Death or Cessation of Existence; Continuation of Membership in a Remaining Partner		4
	2.05	Effect of Termination		4
	2.06	Effect of Death, Legal Separation or Divorce upon a Joint Membership		4
	2.07	Board Acknowledgement of Membership Termination; Acceptance of Members Retroactively		4
III		<b>MEETING OF MEMBERS</b>		
	3.01	Annual Meeting		5
	3.02	Notice of Member Meetings		5
	3.04	Quorum		5
	3.05	Voting		6
	3.06	Proxies		6
	3.07	Order of Business		6
	3.08	Credentials and Election Committee		6
IV		<b>DIRECTORS</b>		
	4.01	General Powers		7
	4.02	Qualifications		7
	4.03	Election		8
	4.04	Tenure		9
	4.05	Directorate Districts		9
	4.06	Nominations		9
	4.07	Voting for Directors; Validity of Board Action		10
	4.08	Removal of Directors by Members		10
	4.09	Vacancies		11
	4.10	Compensation; Expense		11
	4.11	Rules, Regulations, Rate Schedules and Contracts		11
	4.12	Accounting System and Reports		12
	4.13	Subscription to Cooperative's Newsletter; Subscription to "Georgia Magazine"		12
	4.14	"Close Relative" Defined		12
V		<b>MEETING OF DIRECTORS</b>		
	5.01	Regular Meetings		12
	5.02	Special Meetings		12

ARTICLE	SECTION	SUBJECT	PAGE
	5.03	Notice of Directors Meetings	12
	5.04	Quorum	13
VI		<b>OFFICERS; MISCELLANEOUS</b>	
	6.01	Number and Title	13
	6.02	Election and Term of Office	13
	6.03	Removal	13
	6.04	Vacancies	13
	6.05	President	13
	6.06	Vice-President	14
	6.07	Secretary	14
	6.08	Treasurer	14
	6.09	Delegation of Secretary's and Treasurer's Responsibilities	14
	6.10	General Manager	15
	6.11	Bonds	15
	6.12	Compensation	15
	6.13	Reports	15
VII		<b>CONTRACTS, CHECKS, AND DEPOSITS</b>	
	7.01	Contracts	15
	7.02	Checks, Drafts, etc.	15
	7.03	Deposits; Investments	15
VIII		<b>MEMBERSHIP CERTIFICATES</b>	
	8.01	Certificates of Membership	15
	8.02	Issue of Membership Certificates	15
	8.03	Lost Certificate	16
IX		<b>NON-PROFIT OPERATION</b>	
	9.01	Interest or Dividends on Capital Prohibited	16
	9.02	Patronage Capital in Connection with Furnishing Electric Energy	16
	9.03	Patronage Refunds in Connection with Furnishing Other Services	17
X		<b>WAIVER OF NOTICE</b>	17
XI		<b>DISPOSITION OF PROPERTY; DISTRIBUTION OF SURPLUS ASSETS OF DISSOLUTION</b>	
	11.01	Disposition of Property	18
	11.02	Distribution of Surplus Assets on Dissolution	18
XII		<b>FISCAL YEAR</b>	19
XIII		<b>RULES OF ORDER</b>	19
XIV		<b>SEAL</b>	19
XV		<b>AMENDMENTS</b>	19
		<b>MISSION STATEMENT</b>	20
		<b>STATEMENT OF NON-DISCRIMINATION</b>	20

## **ARTICLE I MEMBERSHIP**

**SECTION 1.01 Eligibility.** Any natural person, firm, association, corporation, business trust, partnership, Federal agency, state or political subdivision thereof or body politic (each hereinafter referred to as "person", "applicant", "him", or "his"), shall be eligible to become a member of, and at one or more premises owned or directly occupied or used by him, to receive electric service from The Little Ocmulgee Electric Membership Corporation (hereinafter called the "Cooperative"). No person shall hold more than one membership in the Cooperative.

**SECTION 1.02 Application for Membership; Renewal of Prior Application.** Application for membership-wherein the applicant shall agree to purchase electric power and energy from the Cooperative and to be bound by and to comply with all of the other provisions of the Cooperative's Articles of Incorporation and Bylaws; and all rules, regulations and rate schedules established pursuant thereto, as all the same then exist or may thereafter be adopted or amended (the obligations embraced by such agreement being hereinafter called "membership obligations") shall be made in writing on such form as is provided therefore by the Cooperative. With respect to any particular classification of service for which the Board of Directors shall require it, such application shall be accompanied by a supplemental contract, executed by the applicant on such form as is provided therefore by the Cooperative. The membership application shall be accompanied by the membership fee provided for in Section 1.03 (together with any service security deposit, service connection deposit or fee, or contribution in aid of construction that may be required by the Cooperative), which fee (and such security deposit, service connection deposit or fee, or contribution in aid of construction, if any) shall be refunded in the event the application is not approved. Any former member of the Cooperative may, by the sole act of paying a new membership fee and any outstanding account owed by him to the Cooperative plus accrued interest thereon as established by the Board of Directors by general policy in effect when such account first became overdue, compounded annually (together with any service security deposit, service connection deposit or fee or contribution in aid of construction that may be required by the Cooperative), renew and reactivate any prior application for membership to the same effect as though the application had been newly made on the date of such payment.

**SECTION 1.03 Membership Fee; Service Connection Deposit or Fee, Service Security Deposit; Contribution in Aid of Construction.** The membership fee shall be five (\$5.00) dollars for which (together with any service connection deposit or fee, any service security deposit, or contribution in aid of construction, or any combination thereof, if required by the Cooperative) the member shall be entitled to one service connection. A service connection deposit or fees, in such amount as shall be prescribed by the Cooperative (together with a service security deposit or a contribution in aid of construction, or both, if required by the Cooperative, shall be paid by the member for each additional service connection requested by him.

**SECTION 1.04. Joint Membership.** A husband and wife, by specifically so requesting in writing, may be accepted into joint membership or, if one of them is already a member, may automatically convert such membership into a joint membership by jointly executing another membership application. The words "member", "applicant", "person", "his", and "him" as used in these bylaws, shall include a husband and wife applying for or holding a joint membership unless otherwise clearly distinguished in the text; and all provisions relating to the rights, powers, terms, conditions, responsibilities and liabilities of membership shall apply equally to them. Without limiting the generality of the foregoing:

- (a) the presence at a meeting of either or both shall constitute the presence of one member and a joint waiver of notice of the meeting;
- (b) the vote of either or both shall constitute, respectively, one joint vote: PROVIDED, that is both be present but in disagreement on such vote, each shall cast only one-half (1/2) votes;
- (c) notice to, or waiver of notice signed by, either or both shall constitute, respectively, a joint notice or waiver of notice;
- (d) suspension or termination in any manner of either shall constitute, respectively, suspension or termination of the joint membership; and
- (e) each, but not both concurrently, shall be eligible to serve as an officer or director of the Cooperative, but only if both meet the qualifications required therefore.

**SECTION 1.05. Acceptance into Membership.** Upon complying with the requirements set forth in Section 1.02, any applicant shall automatically be accepted into membership in, and become eligible to receive electric service from, the Cooperative, unless the Board of Directors shall determine that such applicant is not willing or is not able to satisfy and abide by the Cooperative's terms and conditions of membership or that such application should be rejected for other good cause. PROVIDED, that any person whose application, for sixty (60) days or longer, has been submitted to but not approved by the Board of Directors, may, by filing written request therefor with the Cooperative at least thirty (30) days prior to the next meeting of the members, have his application submitted to and approved or disapproved by the vote of the members at such meeting, at which the applicant shall be entitled to be present and be heard.

**SECTION 1.06. Purchase of Electric Power and Energy.** The Cooperative shall use its best efforts to furnish its members with adequate and dependable electric service, although it cannot and therefore 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 electric power and energy for use 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 therefor 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 electric power and energy actually used) established by the Board of Directors, and, if in effect, in accordance with the provisions of any supplemental contract that may have been entered into as provided for in Section 1.02. Production or use of electric energy on such premises, regardless of the source thereof by means of 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. Each member shall also pay all other amounts owed by him to the Cooperative as and when they become due and payable. When the member has more than one service connection from the Cooperative, any payment for service to him by the Cooperative shall be deemed, pro forma, to be allocated and credited on a pro rata basis to his outstanding accounts for all such service connections, notwithstanding that the Cooperative's actual accounting procedures do not reflect such proration.

**SECTION 1.07. Excess payment to be Credited as Member-Furnished Capital.** 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 Article IX of these bylaws.

**SECTION 1.08. Wiring of Premises; Responsibility Therefor; Responsibility for Meter Tampering or Bypassing and for Damage to Cooperative Properties.** Each member shall cause all premises receiving electric service pursuant to his membership to become and to remain wired in accordance with the specifications of the Georgia Insurance Service Office, the National Electrical Code, any applicable state code or local government ordinances, and of the Cooperative. Each member shall

be responsible for and shall indemnify the Cooperative and any other person against death, injury, loss, or damage resulting from any defect in or improper use or maintenance of such premises and all wiring and apparatus connected thereto or used thereon. Each member shall make available to the Cooperative a suitable site, as determined by the Cooperative, whereon to place the Cooperative's physical facilities for the furnishing and metering of electric service and shall permit the Cooperative's authorized employees, agents and independent contractors to have access thereto for inspection, maintenance, replacement, relocation or repair thereof at all reasonable times. As part of the consideration for such service, each member shall be the Cooperative's bailee of such facilities and shall accordingly desist from interfering with, impairing the operation of or causing damage to such facilities, and shall use his best efforts to prevent others from so doing. In the event such facilities are interfered with, impaired in their operation or damaged by the member, or by any other person when the member's reasonable care and surveillance could have prevented such, the member shall indemnify the Cooperative and any other person against death, injury, loss or damage resulting therefrom including but not limited to the Cooperative's cost of repairing, replacing or relocating any such facilities and its loss, if any, of revenues resulting from the failure or defective functioning of its metering equipment. 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 (or, if owned by the Cooperative, the meter base) used on such premises, except that the Cooperative shall, in accordance with its applicable service rules and regulations, indemnify member for any overcharges for service that may result from a malfunctioning of its metering equipment.

**SECTION 1.09. Member to Grant Easement to Cooperative If Required.** Each member shall, upon being requested so to do by the Cooperative, execute and deliver to the Cooperative, grants of easement or right-of-way over, on and under, such lands owned or leased by the member, and in accordance with such reasonable terms and conditions, as the Cooperative shall require for the furnishing of electric service to him or other members or for the construction, operation, maintenance or relocation of the Cooperative's electric facilities.

## **ARTICLE II MEMBERSHIP SUSPENSION AND TERMINATION**

**SECTION 2.01. 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 to 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 meeting of the members. Payment of all amounts due to 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 meeting of its members.

**SECTION 2.02. Termination by Expulsion; Renewed Membership.** Upon the failure of a suspended member to be automatically reinstated to membership, as provided in Section 2.01, he may, without further notice, but only after due hearing if such is requested by him be expelled by the affirmative votes of not less than a majority of the 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 heard at such meeting which 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 finally effective expulsion of a member, he may not again become a member except upon new application therefor duly approved as provided in Section 1.05. The Board of Directors, upon principles of general application in such cases, 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 2.03 Termination by Withdrawal or Resignation.** A member may withdraw from membership upon such generally applicable conditions as the Board of Directors shall prescribe 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 2.04 Termination by Death or Cessation of Existence; Continuation of Membership in a Remaining Partner.** Except as provided in Section 2.06, 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 2.05 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 to his service connection deposit or fee or service security deposit) if any, theretofore paid the Cooperative, less any amounts due the Cooperative; but neither he nor his estate, nor any former partner or a partnership member of 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 2.01 and 2.02, 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 purchase from any other person any central station electric power and energy for use at the premises to which such service has theretofore been furnished by the Cooperative pursuant to such membership.

**SECTION 2.06. 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. 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.

**SECTION 2.07. Board Acknowledgement of Membership Termination; Acceptance of Members Retroactively.** Upon the termination of a person's membership for any reason, the Board of Directors, so soon as practicable after such termination is made known to it, shall by appropriate resolution formally acknowledge such termination effective as of the date on which the Cooperative ceased furnishing electric service to such person. Upon discovery that the Cooperative has been



furnishing electric service to any person other than a member, it shall cease furnishing such service unless such person applies for, and the Board of Directors approves, membership retroactively to the date on which such person first began receiving such service, in which event the Cooperative, to the extent practicable, shall correct its membership and all related records accordingly.

### **ARTICLE III MEETINGS OF MEMBERS**

**SECTION 3.01. Annual Meeting.** For the purposes of electing directors, hearing and passing upon reports covering the previous fiscal year, and transacting such other business as may properly come before the meeting, the annual meeting of the members shall be held the second Wednesday of the month of November each year, at such place within a county in the State of Georgia served by the Cooperative, and beginning at such hour, as the Board of Directors shall from year to year fix: PROVIDED, that for good cause the Board of Directors may fix a different date for such annual meeting not more than thirty (30) days prior or subsequent to the date established for such meeting in this Section. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for and to encourage member attendance at the annual meeting. Failure to hold the annual meeting at the designated time and place shall not work a forfeiture or dissolution of the Cooperative.

**SECTION 3.02. Special Meetings.** A special meeting of the members may be called by resolution of the Board of Directors or upon written request signed by any three (3) directors and fifty (50) members or one per centum (1%) of the total membership, whichever shall be the larger, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided in Section 3.03. Such a meeting shall be held at such place within such county in the State of Georgia served by the Cooperative, on such date, and beginning at such hour as shall have been designated by those calling the same.

**SECTION 3.03. Notice of Member Meetings.** Written or printed notice of the place, day and hour of the meeting, and, in the case of a special meeting or of an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes of the meeting, shall, except as provided in Article XI, be delivered to each member not less than ten (10) days nor more than twenty-five (25) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary or, upon default in duty by the Secretary, by those calling it in the case of a special meeting or by any other director in case of an annual meeting whose time, place and date have actually been fixed by the Board of Directors. No matter the carrying of which, as provided by law, requires the affirmative votes of at least a clear majority of all the Cooperative's members shall be acted upon at any meeting of the members unless notice of such matter shall have been contained in the notice 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 and postmarked at least ten (10) days prior to the meeting date. In making such computation, the date of the meeting shall not be counted. The incidental and non-intended failure of any member to receive such notice shall not invalidate any action which may be taken by the members at any such meeting, and the attendance in person of a member at any meeting of the members shall constitute a waiver of notice 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 ground that the meeting shall not have been lawfully called or convened.

**SECTION 3.04. Quorum.** Business may not be transacted at a meeting of the members unless fifty (50) members or one per centum (1%) of the total membership, whichever shall be the larger, are present in person. If less than a quorum is present at any meeting, a majority of those present in person

may adjourn the meeting to another time and date not less than thirty (30) days later and to any place within one of the counties in Georgia in which the Cooperative serves: PROVIDED, that the Secretary shall notify any absent members of the time, date and place of such adjourned meeting by delivering notice thereof as provided in Section 3.03. At all meetings of the members, whether a quorum be present or not, the Secretary shall annex to the meeting minutes, or incorporate therein by reference, a list of those who were present.

**SECTION 3.05. Voting.** Each member who is not in a status of suspension, as provided for in Section 2.01, shall be entitled to only one vote upon each matter submitted to a vote at any meeting of the members. Voting by members other than members who are natural persons shall be allowed upon the presentation to the Cooperative, prior to, or upon registration at, each member meeting, of satisfactory evidence entitling the person presenting the same to vote. At all meetings of the members all questions shall be decided by a majority of the members voting thereon, except as otherwise provided by law or by the Cooperative's articles of incorporation or these bylaws.

**SECTION 3.06. Proxies.** No member shall attend or vote at a meeting of the members by or through proxy.

**SECTION 3.07. Order of Business.** The order of business at the annual meeting of the members and insofar, as practicable or desirable, at all other meetings of the members shall be essentially as follows:

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

Notwithstanding the foregoing, the Board of Directors or the members themselves may from time to time establish a different order of business for the purpose of assuring the earlier consideration of and action upon any item of business the transaction of which is necessary or desirable in advance of any other item of business: PROVIDED, that no business other than adjournment of the meeting to another time and place may be transacted until and unless the existence of a quorum is first established.

**SECTION 3.08. Credentials and Election Committee.** The Board of Directors shall at least seventy-five (75) days before any meeting of the members, appoint a Credentials and Election Committee consisting of nine (9) members who are not existing directors or known candidates for directors, and who are not close relatives or members of the same household of existing directors or known candidates for directors. In appointing the Committee, the Board shall have regard for equitable representation of the several areas served by the Cooperative and shall appoint three (3) members from each of the Cooperative's three (3) districts to serve on the Committee. The Committee shall elect its own chairman and secretary prior to the member meeting. It shall be the responsibility of the Committee to establish or approve the manner of conducting member registration and any ballot voting, to pass upon all questions that may arise with respect to the registration of members in person, to count all ballots cast in any election or in any other ballot vote taken, to rule upon the effect of any ballots irregularly or indecisively marked, and to pass upon any protest or objection filed with respect to any election or to conduct

affecting the results of any election. It shall be the responsibility of the Credentials and Election Committee to verify that all candidates are qualified and properly nominated, no less than forty-five (45) days prior to the Annual Meeting of Members. In the event a protest or objection is filed concerning any election, such protest or objection must be filed within three (3) business days following the adjournment of the meeting in which the voting is conducted. The Committee shall thereupon be reconvened, upon notice from its chairman, not less 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 the 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, which may be either to affirm or change the results of the election or to set aside such election.

The Committee's decision (as reflected by a majority of those actually present and voting) on all such matters shall be final. This Committee shall be under the direction of the Cooperative's Attorney.

#### **ARTICLE IV DIRECTORS**

**SECTION 4.01. General Powers.** The business and affairs of the Cooperative shall be managed by a Board of nine (9) directors, which shall exercise all of the powers of the Cooperative except such as are by law or by the Cooperative's articles of incorporation or bylaws conferred upon or reserved to the members.

**SECTION 4.02. Director Qualifications.** A Director or Director candidate must comply with this Bylaw.

- A. **General Director Qualifications.** To become and remain a Director, a Person must comply with the following general qualifications ("General Director Qualifications"):
  - 1. Must be an individual;
  - 2. Must have the capacity to enter legal binding contracts;
  - 3. Must not have been convicted of, or plead guilty to, a felony;
- B. **Membership Director Qualifications.** To become and remain a Director, an individual must comply with the following membership qualifications ("Membership Director Qualifications") while a Director and during the one year immediately before becoming a Director:
  - 1. Must be an unsuspended Member of the Cooperative;
  - 2. Must receive and use electric service provided by the Cooperative at his principal residence;
  - 3. Must reside fulltime within the Director District from which the Director is nominated, elected or appointed.
- C. **Independence Director Qualifications.** To become and remain a Director, an individual must comply with the following independence qualifications ("Independence Director Qualifications"):
  - 1. While a Director and during the three years immediately before becoming a Director, must not be an employee of the Cooperative or an employee of an entity controlled by the Cooperative or in which the Cooperative owns a majority interest ("Cooperative Subsidiary");
  - 2. While a Director and during the one year immediately before becoming a Director, must not have been a director, officer, employee, or agent of a union or other entity representing, or seeking to represent, Cooperative employees regarding the terms and conditions of employment with the Cooperative.

3. Must not be a close relative of an incumbent director (unless such incumbent director has resigned, or the term of such incumbent director shall expire at the upcoming Annual Meeting of Members and he shall not be nominated for the succeeding term). In the event two candidates who are close relatives of each other are nominated director of different Directorate Districts or for the same Directorate District if more than one director is to be elected for such district, and neither candidate shall withdraw his nomination, then only the first to be so nominated (the date of nomination by committee or the date of the filing of a petition nomination) shall be permitted to qualify;
  4. Must not be a Close Relative of an employee of the Cooperative;
  5. While a Director and during the one year immediately before becoming a Director, must not receive more than ten percent of annual gross income, other than insurance or Director compensation or retirement income, directly or indirectly from the Cooperative or a Cooperative Subsidiary.
  6. While a Director and during the one year immediately before becoming a Director, must not be employed by, control, own more than ten percent of, serve as a director or officer of, or receive more than ten percent of annual gross income from a business or entity that:
    - (a). Competes with the Cooperative or is a business or entity that provides goods or services similar to the goods or services provided by the Cooperative or a Cooperative Subsidiary.
    - (b). Receives more than ten percent of its annual gross income directly or indirectly from the Cooperative or a Cooperative Subsidiary.
  7. Must not be an incumbent of or a candidate for an elective governmental office.
  8. Must not be a plaintiff in any legal action pending against the Cooperative or have filed any legal action against the Cooperative within the three years immediately preceding the date of his or her nomination by the nominating committee or the date of filing a petition for his or her nomination for the office of director.
- D. Director Disqualification. Upon establishment of the fact that a nominee for director lacks eligibility under this Section or as may be provided elsewhere in these bylaws. It shall be the duty of the chairman presiding at the meeting at which such nominee would otherwise be voted upon to disqualify such nominee. Upon the establishment of the fact that any person being considered for, or already holding, a directorship or other position of trust in the Cooperative lacks eligibility under this Section, it shall be the duty of the Board of Directors to withhold such position from such person, or to cause him to be removed therefrom, as the case may be. Nothing in this Section contained shall or shall be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors, unless such action is taken with respect to a matter which is affected by the provisions of this Section and in which one or more of the directors have an interest adverse to that of the Cooperative.

**SECTION 4.03. Election.** At each annual meeting of the members, directors shall be elected by secret ballot by the members and, from among those members who are natural persons: PROVIDED that, when the number of nominees does not exceed the number of directors to be elected from a particular Directorate District, and if there is no objection, balloting may be dispensed with in respect of that particular election and voting may be conducted in any other proper manner. Directors shall unless the members determine otherwise in advance of the initial balloting, be elected by a plurality vote of the members. In the event no candidate receives a plurality of the vote for any one or more of the directors to be elected (i.e. there is a tie among those receiving the highest number of votes), then the director as to

which no plurality was obtained for such district shall be elected from among those candidates who received the highest number of votes (excluding any director who was elected in such election if more than one director was to be elected), such election to be conducted at a special meeting of the members to be held not more than sixty days after the date of the annual meeting at which such tie vote occurred.

**SECTION 4.04. Tenure.** Directors shall be so nominated and elected that three (3) shall be elected for three (3) year terms at an annual member meeting, three (3) shall be elected for three (3) year terms at the next succeeding annual member meeting and three (3) shall be elected for three (3) year terms at the next succeeding annual meeting, and so forth: Upon their election, directors shall, subject to the provisions of these bylaws with respect to the removal of directors, serve until the annual meeting of the members of the year in which their terms expire or until their successors shall have been elected and shall have qualified. If for any reason an election of directors shall not be held at an annual meeting of the members duly fixed and called pursuant to these bylaws, such election may be held at an adjournment of such meeting or at a subsequently held special or at the next annual meeting of the members. Failure of an election for a given year shall allow the incumbents whose directorships would have been voted on to hold over only until the next member meeting at which a quorum is present.

**SECTION 4.05. Directorate Districts.** The Cooperative's nine (9) directors shall be so nominated and elected that three (3) directors shall reside in each of the three (3) Directorate Districts, which are:

- District No.1 - Laurens County, Georgia;
- District No.2 - Telfair County and Dodge County, Georgia; and
- District No.3 - Wheeler County and Montgomery County, Georgia

Notwithstanding the foregoing District descriptions, every year the Board of Directors, not less than ninety (90) days prior to the first date on which the annual member meeting is scheduled by these bylaws to be held, shall review said Districts and, if determining that the Districts should be altered so as to correct any substantially inequitable factors regarding the residence of members or the geographic location of Districts, shall change and redescribe one or more Districts accordingly, in which event all Districts as so changed shall be noticed in writing precisely to the members not less than five (5) days prior to the date on which the Committee on Nominations for such meeting shall first convene. After such notice, these bylaws shall have been effectively amended accordingly. The areas embraced within such Districts may be changed by amendment of these bylaws by the members from time to time in order to establish the most equitable and geographical representation of the Board of Directors, but this right of the members shall be supplemental to, not in lieu of or in conflict with, the power of the Board of Directors to amend District descriptions as provided for in the preceding paragraph; PROVIDED, that any change so made by action of the Board shall be in full force and effect until at least the completion of the election of directors at the first annual meeting of the members held subsequent to the meeting at which elections were first held in accordance with such changes effectuated by the Board of Directors.

**SECTION 4.06. Nominations.** It shall be the duty of the Board of Directors to appoint, not less than ninety (90) days before the date of a meeting of the members at which directors are to be elected, a Committee on Nominations, consisting of nine (9) persons who are members of the Cooperative, but are not incumbent directors or close relatives of such directors or known candidates to become directors, and who are so selected that each of the Cooperative's Directorate Districts shall have representation thereon in direct proportion to the number of directors who must be residents thereof. The Committee shall prepare and post at the principal office of the Cooperative at least seventy-five (75) days before the meeting, a list of nominations for directors to be elected, listing separately the nominee or nominees with respect to each Directorate District from which a director must, pursuant to this Article, be elected at the

meeting. The Committee may include more nominees than there are to be elected, but it shall show clearly which nominees are opposed with respect to the same Directorate District. Any fifteen (15) or more members of the Cooperative, acting together, may make additional nominations in writing over their signatures, in like manner listing the nominees separately with respect to the Directorate Districts from which they are nominated, not less than sixty (60) days prior to the meeting, and the Secretary shall post such nominations at the same place where the list of nominations made by the Committee is posted. The Secretary shall mail to the members with the notice of the meeting, or separately, but at least ten (10) days before the date of the meeting, a statement of the number of directors to be elected from each of the Directorate Districts, and the names and addresses of all nominees from each such District, showing separately those nominated by the Committee and those nominated by petition, if any. In the event the person nominated by the nominating committee or by petition shall decline such nomination, die, or become or be discovered to be disqualified for such nomination after his nomination has been filed with the secretary, then additional nominations may be made by the nominating committee or by petition as provided herein and filed with the secretary at least 30 days prior to the meeting at which such director is to be elected. In the event of the failure of any such nomination within 30 days prior to the meeting, then, if any valid candidate remains, the election shall proceed as to the remaining candidates. In the event no willing candidate is nominated and qualified as of the date and time of the meeting, or in the event the prevailing candidate shall die, withdraw from the election, or be or become disqualified during the actual conduct of the election, then the directors shall elect the director under the provisions of Section 4.09. Notwithstanding the provisions contained in this Section, failure to comply with any of such provisions shall not affect in any manner whatsoever the validity of any action taken by the Board of Directors after the election of directors.

**SECTION 4.07. Voting for Directors; Validity of Board Action.** In the election of directors, each member shall be entitled to cast the number of votes (but not cumulatively) which corresponds to the number of directors to be elected, but no member in any election may vote for more nominees from any Directorate District than the number of directors who must be elected therefrom in such election. Ballots marked in violation of the foregoing restriction with respect to one or more Directorate Districts shall be invalid and shall not be counted with respect to such District or Districts. Notwithstanding the provisions contained in this Section and in Section 4.06, failure to comply with any of such provisions shall not affect in any manner whatsoever the validity of any action taken by the Board of Directors after the election of directors.

**SECTION 4.08. Removal of Directors.**

(a) Removal of Directors by Members. Any member may bring charges for cause against a director and, by filing with the Secretary such charges in writing together with a petition signed by at least fifty (50) members or one per centum (1%) of the total membership, whichever shall be the larger, may request the removal of such director by reason thereof. Such director shall be informed in writing of the charges at least twenty (20) 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 removal of such director shall be considered and voted upon at such meeting and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nominations; PROVIDED, that the newly elected director shall be from the same Directorate District as was the director whose office he succeeds.

- (b) **Removal of Incapacitated Directors.** In the event any director shall be mentally or physically incapacitated, by illness or injury, or by other cause, so that such director is no longer able to attend the meetings of the Board of Directors, or to perform his duties as a director, and it shall appear that such incapacity shall continue for a period of more than six months, such director may be removed by the Board of Directors. Any director desiring to initiate such removal shall file with the secretary a petition stating the facts upon which his petition is based and asking for the removal of such director. Such director shall be notified in writing by mail of the allegations, together with a copy of the petition, at least 20 days prior to the meeting at which such petition will be considered and shall have opportunity to be heard in person or by counsel and to present evidence with respect to the allegations; and the director who filed the petition shall have the same opportunity. The question of such removal shall be considered and voted on at such meeting, and the director whose removal is under consideration shall, if present, be entitled to vote on such question.
- (c) **Removal of Director Upon Conviction.** Upon the conviction of any director for any felony offense, such director shall be suspended without further action by the members or directors; such director shall remain suspended without further action by the members or directors so long as any appeal or other proceeding is pending or until the expiration of any applicable time for appeal. In the event such conviction is reversed on appeal, resulting in acquittal, such suspensions shall be terminated without further action by the members or directors. Upon the final conviction of any director for any felony offense, such director shall be removed as a director of the cooperative without further action by the members or directors. "Final conviction" shall mean conviction of the offense, without reversal on any appeal, and the expiration of all applicable times for appeal.

**SECTION 4.09. Vacancies.** Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of directors by the members, a vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining directors. A director thus elected shall serve out the unexpired term of the director whose office was vacated and until his successor is elected and qualified: PROVIDED, that such a director, shall be from the same Directorate District as was the director whose office was vacated.

**SECTION 4.10. Compensation; Expense.** For their services as such, directors shall receive such compensation, which may include insurance benefits, as is fixed by resolution of the Board of Directors. For the performance of their duties, directors shall also receive advancement or reimbursement of any travel and out-of-pocket expenses actually, necessarily and reasonably incurred, in accordance with the Cooperative's established policies. No director shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a director receive compensation for serving the Cooperative, unless the payment and amount of such compensation shall be specifically authorized by a vote of the members or such payment and amount shall be specifically authorized by the remaining directors upon their certification of such as an emergency measure: PROVIDED, that a director who is also an officer of the Board, and who as such officer performs regular or periodic duties of a substantial nature for the Cooperative in its fiscal affairs, may be compensated in such amount as shall be fixed and authorized in advance of such service by the remaining directors.

**SECTION 4.11. Rules, Regulations, Rate Schedules and Contracts.** The Board of Directors shall have power to make, adopt, amend, abolish, and promulgate such rules, regulations, rate schedules, contracts, security deposits and contributions in-aid-of-construction, not inconsistent with law or the Cooperative's articles of incorporation or bylaws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

**SECTION 4.12. Accounting System and Reports.** The Board of Directors shall cause to be established and maintained a complete accounting system of the Cooperative's financial operations and conditions, and shall, after the close of each fiscal year, cause to be made a full, complete and independent audit of the Cooperative's accounts, books and records reflecting operations during, and financial condition as of the end of, such year. A full and accurate summary of such audit reports shall be submitted to the members at or prior to the succeeding annual meeting of the members.

**SECTION 4.13. Subscription to Cooperative's Newsletter; Subscription to "Georgia Magazine".** For the purpose of disseminating information devoted to the economical, effective and conservative use of electric energy, the Board of Directors shall be authorized, on behalf of and for circulation to the members periodically, to subscribe to the Cooperative's Newsletter, "Electric News", the annual subscription price for which shall not be less than \$2.00 nor more than \$6.00, and which shall be deducted from any funds accruing in favor of such members, so as to reduce such funds in the same manner as would any other expense of the Cooperative.

**SECTION 4.14. "Close Relative" Defined.** As used in these bylaws, "close relative" means a person who is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew, or niece, by blood or in-law, of the principal.

## **ARTICLE V MEETINGS OF DIRECTORS**

**SECTION 5.01. Regular Meetings.** A regular meeting of the Board of Directors shall be held, without notice, immediately after the adjournment of the annual meeting of the members at such site as designated by the Board in advance of the annual member meeting, or as soon thereafter as conveniently may be. A regular meeting of the Board of Directors shall also be held monthly at such date, time and place within one of the counties served by the Cooperative as the Board may provide by resolution. Such regular monthly meetings may be held without notice other than such resolution fixing the date, time and place thereof. Except when business to be transacted thereat shall require special notice, such regular monthly meeting may be held without notice other than such resolution fixing the date, time and place thereof: PROVIDED, that any director absent from any meeting of the Board at which such a resolution initially determines or makes any change in the date, time or place of a regular meeting shall be entitled to receive written notice of such determination or change at least five (5) days prior to the next meeting of the Board.

**SECTION 5.02. Special Meetings.** Special meetings of the Board of Directors may be called by Board resolution, by the President or by any three (3) directors, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided in Section 5.03. The President or the directors calling the meeting shall fix the date, time and place for the meeting, which shall be held in one of the counties served by the Cooperative unless all directors consent to its being held in some other place in Georgia or elsewhere.

**SECTION 5.03. Notice of Director's Meetings.** Written notice of the date, time, place and purpose or purposes of any meeting of the Board and, when the business to be transacted thereat shall require such, of any meeting of the Board shall be delivered to each director not less than five (5) days prior thereto, either personally or by mail, by or at the direction of the Secretary or, upon a default in duty by the Secretary, by him or those calling it in the case of a special meeting or by any other director or officer in the case of a meeting whose date, time and place have already been fixed by Board resolution. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the director at his address as it appears on the records of the Cooperative, with postage



thereon prepaid and postmarked at least five (5) days prior to the meeting date. The attendance of a director at any meeting of the Board shall constitute a waiver of notice of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business, or of one or more items of business, on the ground that the meeting shall not have been lawfully called or convened.

**SECTION 5.04. Quorum.** The presence in person of a majority of the directors in office shall be required for the transaction of business, and the affirmative votes of at least a majority of the directors in office shall be required for any action to be taken; PROVIDED, that a director who by law or these bylaws is disqualified from voting on a particular matter shall not, with respect to consideration of and action upon that matter be counted in determining the number of directors in office; AND PROVIDED FURTHER, that if less than a quorum be present at a meeting, a majority of the directors present may adjourn the meeting from time to time, but shall cause the absent directors to be duly and timely notified of the time and place of such adjourned meeting.

## **ARTICLE VI OFFICERS; MISCELLANEOUS**

**SECTION 6.01. Number and Title.** The officers of the Cooperative shall be a President, Vice President, Secretary, Treasurer and such other officers as may from time to time be determined by the Board of Directors. The offices of Secretary and Treasurer may be held by the same person.

**SECTION 6.02. Election and Term of Office.** The officers named in Section 6.01 shall be elected by written ballot, annually and without prior nomination, by and from the Board of Directors at the first meeting of the Board held after each annual meeting of the members. If the election of such officers shall not be held at such meeting, it shall be held as soon thereafter as conveniently may be. Each such officer shall hold office until the meeting of the Board meeting first held after the next succeeding annual meeting of the members or until his successor shall have been duly elected and shall have qualified, subject to the provisions of the bylaws with respect to the removal of directors by members and to the removal of officers by the Board of Directors. Any other officers may be elected by the Board from among such persons, and with such title, tenure, responsibilities and authorities, as the Board of Directors may from time to time deem advisable.

**SECTION 6.03. Removal.** Any officer, agent or employee elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interest of the Cooperative will thereby be served.

**SECTION 6.04. Vacancies.** A vacancy in any office elected by the Board of Directors shall be filled by the Board for the unexpired portion of the term.

**SECTION 6.05. President.** The President shall:

- (a) be the principal executive officer of the Cooperative and shall preside at all meetings of the Board of Directors, and, unless determined otherwise by the Board of Directors, at all meetings of the members;
- (b) sign, with the Secretary, certificates of membership, the issue of which shall have been authorized by resolution of the Board of Directors, and may sign 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 office or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and

- (c) in general, perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

**SECTION 6.06. Vice President.** In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President; and shall perform such other duties as from time to time may be assigned to him by the Board of Directors.

**SECTION 6.07. Secretary.** The Secretary shall:

- (a) keep, or cause to be kept, the minutes of meetings of the members and of the Board of Directors in one or more books provided for that purpose;
- (b) see that all notices are duly given in accordance with these bylaws or as required by law;
- (c) be custodian of the corporate records and of the seal of the Cooperative and see that the seal of the Cooperative is affixed to all certificates of membership prior to the issue thereof and 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 or is required by law;
- (d) keep, or cause to be kept, a register of the name and post office address of each member, which address shall be furnished to the Cooperative by such member;
- (e) sign, with the President, certificates of membership, the issue of which shall have been authorized by resolution of the Board of Directors;
- (f) have general charge of the books of the Cooperative in which a record of the members is kept;
- (g) keep on file at all times a complete copy of the Cooperative's articles of incorporation and of its bylaws, together with all amendments thereto, which copies shall always be open to the inspection of any member, and, at the expense of the Cooperative, furnish a copy of such documents and of all amendments thereto upon request to any member; and
- (h) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors.

**SECTION 6.08. Treasurer.** The Treasurer shall:

- (a) have charge and custody of and be responsible for all funds and securities of the Cooperative;
- (b) receive and give receipts for monies due and payable to the Cooperative from any source whatsoever, and deposit or invest all such monies in the name of the Cooperative in such bank or banks or securities as shall be selected in accordance with the provisions of these bylaws; and
- (c) in general perform all the duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to him by the Board of Directors.

**SECTION 6.09. Delegation of Secretary's and Treasurer's Responsibilities.** Notwithstanding the duties, responsibilities and authorities of the Secretary and of the Treasurer hereinbefore provided in Section 6.07 and 6.08, the Board of Directors by resolution may, except as otherwise limited by law, delegate, wholly or in part, the responsibility and authority for, and the regular or routine administration, of one or more of such officers; such duties to one or more agents, other officers or employees of the Cooperative who are not directors. To the extent that the Board does so delegate with respect to either such officer, that officer as such shall be released from such duties, responsibilities and authorities.

**SECTION 6.10. General Manager.** The Board of Directors may appoint a general manager, who may be, but who shall not be required to be, a member of the Cooperative. Such person shall perform such duties as the Board of Directors may from time to time require and shall have authority as the Board of Directors may from time to time vest in him.

**SECTION 6.11. Bonds.** The Board of Directors shall require the Treasurer and any other officer, agent or employee of the Cooperative charged with responsibility for the custody of any of its funds or property to give bond in such sum and with such surety as the Board of Directors shall determine. The Board of Directors in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine.

**SECTION 6.12. Compensation.** The compensation, if any, of any officer, agent or employee who is also a director or close relative of a director shall be determined as provided in Section 4.10 of these bylaws, and the powers, duties and compensation of any other officers, agents and employees shall be fixed by the Board of Directors.

**SECTION 6.13. 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 and showing the condition of the Cooperative at the close of such fiscal year.

## **ARTICLE VII CONTRACTS, CHECKS AND DEPOSITS**

**SECTION 7.01. Contracts.** Except as otherwise provided in these bylaws, the Board of Directors may authorize any Cooperative officer(s), agent(s) or employee(s) 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.

**SECTION 7.02. 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(s), agent(s) or employee(s) of the Cooperative and in such manner as shall from time to time be determined by resolution of the Board of Directors.

**SECTION 7.03. Deposits; Investments.** All funds of the Cooperative shall be deposited or invested from time to time to the credit of the Cooperative in such bank or banks or in such financial securities or institutions as the Board of Directors may select.

## **ARTICLE VIII MEMBERSHIP CERTIFICATES**

**SECTION 8.01. Certificate of Membership.** Membership in the Cooperative may, if the Board so resolves, be evidenced by a certificate of membership, which shall be in such form and shall contain such provisions as shall be determined by the Board of Directors not contrary to, or inconsistent with, the Cooperative's articles of incorporation or its bylaws. Such certificate, if authorized to be issued by the Board, shall be signed by the President and the Secretary and the seal shall be affixed thereto or a facsimile thereof printed thereon: PROVIDED, that the signatures of the President and the Secretary may be imprinted by facsimile thereon.

**SECTION 8.02. Issue of Membership Certificates.** No membership certificate shall be issued for less than the membership fee stated in these bylaws, nor until such membership fee has been fully paid in cash.

**SECTION 8.03. Lost Certificate.** In case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefor upon such terms and such indemnity to the Cooperative as the Board of Directors may prescribe.

## **ARTICLE IX NON-PROFIT OPERATION**

**SECTION 9.01. Interest of Dividends on Capital Prohibited.** The Cooperative shall at all time be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

**SECTION 9.02. 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 of the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a nonprofit basis, the Cooperative is obligated to account on a patronage basis to all 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, and the Cooperative shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to his account: PROVIDED, that individual notices of such amounts furnished by each patron shall not be required if the Cooperative notifies all patrons of the aggregate amount of such excess and provides a clear explanation of how each patron may compute and determine for himself the specific amount of capital so credited to him. 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.

All other amounts received by the Cooperative from its operation in excess of costs and expenses shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year and (b) to the extent not needed for that purpose, allocated to its patrons on a patronage basis, and any amount so allocated shall be included as a part of the capital credited to the accounts of patrons, as herein provided.

In the event of dissolution or liquidation of the 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 patrons' accounts may be retired in full or in part. Any such retirements of capital shall be made in order of priority according to the year in which the capital was furnished and credited the capital first received by the Cooperative being first retired: PROVIDED, however, that the Board of Directors shall have the power to adopt rules providing for the separate retirement of that portion ("power supply or other service or supply portion") of capital credited to the accounts of patrons which corresponds to capital credited to the account of the Cooperative by an organization furnishing electric service or any other service or supply to the Cooperative. Such rules shall (a) establish a method for determining the portion of such capital credited

to each patron for each applicable fiscal year, (b) provide for separate identification on the Cooperative's books of such portions of capital credited to the Cooperative's patrons, (c) provide for appropriate notifications to patrons with respect to such portions of capital credited to their accounts and (d) preclude a general retirement of such portions of capital credited to patrons for any fiscal year prior to the general retirement of other capital credited to patrons for the same year or any capital credited to patrons for any prior fiscal year.

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

Notwithstanding any other provisions of these bylaws, the Board of Directors shall, at its discretion, have the power at any time upon the death of any patron, who was a natural person, if the legal representative of his estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, to retire such capital immediately upon such terms and conditions as the Board of Directors, acting under policies of general application to situations of like kind, and such legal representative, shall agree upon: PROVIDED, however, that the financial condition of the Cooperative will not be impaired thereby.

The Cooperative, before retiring any capital credited to any patron's account, shall deduct therefrom any amount owing by such patron to the Cooperative on either a discounted value basis or by accruing interest thereon as established by the Board of Directors by general policy in effect when such amount first became overdue, compounded annually.

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 contract between the Cooperative and each patron, and both the Cooperative and the patrons are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions. The provisions of this article of the bylaws shall be called to the attention of each patron of the Cooperative by posting in a conspicuous place in the Cooperative's office.

**SECTION 9.03. Patronage Refunds in Connection with Furnishing Other Services.** In the event that the Cooperative should engage in the business of furnishing goods or services other than electric energy, all amounts received and receivable therefrom which are in excess of costs and expenses properly chargeable against the furnishing of such goods or services shall, insofar as permitted law, be prorated annually on a patronage basis and returned to those patrons from whom such amounts were obtained.

## **ARTICLE X WAIVER OF NOTICE**

Any member or director may waive, in writing, any notice of meetings required to be given by these bylaws.

**ARTICLE XI  
DISPOSITION OF PROPERTY;  
DISTRIBUTION OF SURPLUS ASSETS ON DISSOLUTION**

**SECTION 11.01. Disposition of Property.**

- (a) Not inconsistently with the provisions of subsection (b) hereof, the Cooperative shall not sell, mortgage, lease or otherwise encumber or dispose of all or any substantial portion of its property (other than merchandise and property which in the judgement of the Board of Directors are not necessary or useful in operating the Cooperative) unless authorized so to do by the votes of at least a majority of its total membership: PROVIDED, however, that the Board of Directors is empowered and authorized, for, on behalf and in the name of the Cooperative, to borrow monies from such source and in such amounts as the Board may from time to time determine to be in the Cooperative's best interests, and to mortgage or otherwise pledge or encumber any or all of the Cooperative's property or assets as security therefor.
- (b) Notwithstanding the foregoing subsection (a) or any other provisions of these bylaws, no sale, lease or lease-sale of all or a substantial portion of the Cooperative's assets (other than merchandise and property which in the judgment of the Board of Directors are not necessary or useful in operating the Cooperative) to any other entity shall be authorized except in conformity with the following:
- (1) If the Board of Directors looks with favor upon any proposal for such sale, lease or lease-sale, it shall first cause three (3) independent appraisers, expert in such matters, to render their individual opinions as to the value of the Cooperative with respect to such a sale, lease or lease-sale and as to any other terms and conditions which should be considered. The three (3) such appraisers shall be designated by a Superior Court Resident Judge for the Oconee Judicial Circuit.
  - (2) If the Board of Directors, after receiving such appraisals (and other terms and conditions which are recommended, if any), determines that the proposal should be submitted for consideration by the members, it shall first give every Georgia Electric Membership Corporation nearby or adjacent to the Cooperative (which has not made such an offer for such sale, lease or lease-sale) an opportunity to submit competing proposals. Such opportunity shall be in the form of a written notice to such electric membership corporations, which notice shall attach a copy of the proposal which the Cooperative has already received and a copy of the report(s) of the three (3) appraisers. Such electric membership corporations shall be given not less than thirty (30) days during which to submit competing proposals, and the actual minimum period within which proposals are to be submitted shall be stated in the written notice given to them.
  - (3) If the Board then determines that favorable consideration should be given to the initial or any subsequent proposal which has been submitted to it, it shall so notify the members, expressing in detail each of any such proposals, and shall call a special meeting of the members for consideration thereof, which meeting shall not be held sooner than ninety (90) days after the giving of such notice to the members: PROVIDED, that consideration thereof by the members may be given at the next annual member meeting if the Board so determines and if such annual meeting is not held sooner than ninety (90) days after the giving of such notice.

- (4) Any fifty (50) or more members, by so petitioning the Board not less than thirty (30) days prior to the date of such special or annual meeting, may cause the Cooperative, with the cost to be borne by the Cooperative, to mail to all members any opposing or alternative positions which they may have to the proposals that have been submitted or any recommendations that the Board has made.

The provisions of the subsection (b) shall not apply to a sale, lease or lease-sale to one or more other electric membership corporations if the actual legal or substantive effect thereof is to merge or consolidate with such other one or more electric membership corporations.

**SECTION 11.02. Distribution of Surplus Assets on Dissolution.** Upon the Cooperative's dissolution, any assets remaining after all liabilities or obligations of the Cooperative have been satisfied and discharged shall be distributed among all persons who shall have been members of the Cooperative at any time during the fiscal year in which such dissolution is authorized by vote of the members or any of the six (6) next preceding fiscal years, prorated to them on the basis that their respective patronage during all such years bears to the total receipts of the Cooperative for all such years.

## **ARTICLE XII FISCAL YEAR**

The Cooperative's fiscal year shall begin on the first day of the month of August of each year and end on the last day of the month of July following.

## **ARTICLE XIII RULES OF ORDER**

Parliamentary procedure at all meetings of the members, of the Board of Directors, of any committee provided for in these bylaws and of any other committee of the members or Board of Directors which may from time to time be duly established shall be governed by the most recent edition of "Robert's Rules of Order", except to the extent such procedure is otherwise determined by law or by the Cooperative's articles of incorporation or bylaws.

## **ARTICLE XIV SEAL**

The Corporate seal of the Cooperative shall be in the form of a circle and shall have inscribed thereon the name of the Cooperative and the words, "corporate seal."

## **ARTICLE XV AMENDMENTS**

These bylaws may be altered, amended or repealed by the affirmative vote of not less than a majority of the total directors in office at any regular or special meeting, but only if the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal, or an accurate summary explanation thereof: PROVIDED, that any amendment affecting the election of the Board of Directors or the calling of the regular or special meetings of the members shall be adopted by a majority of the votes cast at any annual or special meeting of the members, but only if the notice of such meeting shall have contained a copy of the proposed amendment or an accurate summary explanation thereof.

## **MISSION STATEMENT OF LITTLE OCMULGEE ELECTRIC MEMBERSHIP CORPORATION**

The mission of The Little Ocmulgee Electric Membership Corporation is to provide reliable electrical energy, service and products to our members and in a safe and environmentally responsible manner, while supporting community development.

## **STATEMENT OF NON-DISCRIMINATION**

The Little Ocmulgee Electric Membership Corporation is the recipient of Federal financial assistance from the Rural Utilities Service, an agency of the U.S Department of Agriculture and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U. S. Department of Agriculture, which provide that no person in the United States on the basis of race, color, national origin, sex, religion, age, or disability shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person(s) responsible for coordinating this organization's non-discrimination compliance efforts are the General Manager and the President of The Little Ocmulgee Electric Membership Corporation. Any individual or specific class of individuals who feels this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from and/or file a written complaint with this organization; or the Administrator, Rural Utilities Service, Stop call 202-720-5964 (voice or TDD). Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.

The Little Ocmulgee Electric Membership Corporation does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. These activities include, but are not limited to, hiring and firing of employees, selection of volunteers and vendors, and provision of services. We are committed to providing an inclusive and welcoming environment for all members of our employees, clients, volunteers, subcontractors, vendors, and clients

The Little Ocmulgee Electric Membership Corporation is an equal opportunity employer and will not discriminate and will take affirmative action measures to ensure against discrimination in employment, recruitment, advertisements for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant **on the bases of race, color, gender, national origin, age, religion, creed, disability, veteran's status, sexual orientation, gender identity or gender expression.**



