

Revised and Restated  
**Bylaws**  
Effective April 2023



**Gibson Electric  
Membership Corporation**

® Your Touchstone Energy® Cooperative 

*Gibson EMC is an equal opportunity provider, employer, and lender.*

# Table of Contents

<b>Article and Section</b>	<b>Page</b>
<b>Article I - Membership</b>	
Section 1.01. Eligibility . . . . .	1
Section 1.02. Application for Membership. . . . .	1
Section 1.03. Membership Fee; Security Deposits; Facilities Extension Deposits; and Contribution in Aid of Construction . . . . .	1
Section 1.04. Joint Membership . . . . .	2
Section 1.05. Acceptance into Membership . . . . .	2
Section 1.06. Purchase of Electric Power and Energy; Power Production by Member; Application of Payments to all Accounts. . . . .	2
Section 1.07. Wiring of Premises; Responsibility therefore; Responsibility for Meter Tampering or Bypassing and for Damage to Cooperative Properties; Extent of Cooperative Responsibility; Indemnification . . . . .	3
Section 1.08. Easements and Load Management Programs . . . . .	4
<b>Article II - Membership Suspension and Termination</b>	
Section 2.01. Suspension; Reinstatement . . . . .	4
Section 2.02. Termination by Expulsion; Renewal. . . . .	4
Section 2.03. Termination by Withdrawal or Resignation . . . . .	5
Section 2.04. Termination by Death or Cessation of Existence; Continuation of Membership in Remaining or New Partner. . . . .	5
Section 2.05. Effect of Termination . . . . .	5
Section 2.06. Effect of Death, Legal Separation or Divorce upon a Joint Membership . . . . .	5
Section 2.07. Board Acknowledgement of Membership Termination; Acceptance of Members Retroactively . . . . .	6
<b>Article III - Meetings of the Members</b>	
Section 3.01. Annual Meeting . . . . .	6
Section 3.02. Special Meetings . . . . .	6
Section 3.03. Notice of Members' Meetings . . . . .	7
Section 3.04. Quorum . . . . .	7
Section 3.05. Voting . . . . .	8
Section 3.06. Proxy Voting . . . . .	8
Section 3.07. Credentials and Election Committee . . . . .	8
Section 3.08. Order of Business . . . . .	9
Section 3.09. District Meetings . . . . .	9

## Table of Contents, “continued”

<b>Article and Section</b>	<b>Page</b>
<b>Article IV - Trustees</b>	
Section 4.01. General Powers and Number . . . . .	10
Section 4.02. Qualifications . . . . .	10
Section 4.03. Trustee Districts . . . . .	11
Section 4.04. Election and Tenure . . . . .	12
Section 4.05. Nominations . . . . .	12
Section 4.06. Removal of Trustees by Members . . . . .	13
Section 4.07. Vacancies . . . . .	14
Section 4.08. Compensation; Expenses . . . . .	14
Section 4.09. Rules, Regulations, Rate Schedules and Contracts . . . . .	14
Section 4.10. Accounting System and Reports . . . . .	14
Section 4.11. Subscription to Cooperative’s Newsletter; Subscription to Statewide Publication. . . . .	15
Section 4.12. “Close Relative” Defined. . . . .	15
<b>Article V - Meetings of the Trustees</b>	
Section 5.01. Regular Meetings. . . . .	15
Section 5.02. Special Meetings . . . . .	15
Section 5.03. Notice . . . . .	16
Section 5.04. Quorum . . . . .	16
Section 5.05. Manner of Acting . . . . .	16
<b>Article VI - Officers; Miscellaneous</b>	
Section 6.01. Number and Title . . . . .	16
Section 6.02. Election and Term of Office . . . . .	16
Section 6.03. Removal . . . . .	17
Section 6.04. Vacancies . . . . .	17
Section 6.05. Chairman of the Board. . . . .	17
Section 6.06. Vice Chairman of the Board. . . . .	17
Section 6.07. Secretary-Treasurer . . . . .	17
Section 6.08. Assistant Secretary-Treasurer . . . . .	18
Section 6.09. Delegation of Secretary-Treasurer’s Responsibilities . . . . .	18
Section 6.10. President and Chief Executive Officer. . . . .	19
Section 6.11. Bonds . . . . .	19
Section 6.12. Compensation; Indemnification. . . . .	19
Section 6.13. Reports. . . . .	19

## Table of Contents, “continued”

<b>Article and Section</b>	<b>Page</b>
<b>Article VII - Contracts, Checks and Deposits</b>	
Section 7.01. Contracts . . . . .	19
Section 7.02. Checks, Drafts, Etc. . . . .	19
Section 7.03. Deposits; Investments . . . . .	19
<b>Article VIII - Membership Certificates</b>	
Section 8.01. Certificate of Membership . . . . .	20
Section 8.02. Issue of Membership Certificates . . . . .	20
Section 8.03. Lost Certificate. . . . .	20
<b>Article IX - Nonprofit Operation</b>	
Section 9.01. Interest or Dividends on Capital Prohibited. . . . .	20
<b>Article X - Waiver of Notice</b>	
Section 10.01. Waiver of Notice . . . . .	20
<b>Article XI - Disposition of Property and Dissolution</b>	
Section 11.01. Disposition of Property . . . . .	20
Section 11.02. Dissolution . . . . .	21
<b>Article XII - Fiscal Year</b>	
Section 12.01. Fiscal Year . . . . .	21
Section 12.02. Transition . . . . .	21
<b>Article XIII - Rules of Order</b>	
Section 13.01. Rules of Order . . . . .	21
<b>Article XIV - Membership in Other Organizations</b>	
Section 14.01. Membership in Other Organizations . . . . .	22
<b>Article XV - Seal</b>	
Section 15.01. Seal . . . . .	22
<b>Article XVI - Amendments</b>	
Section 16.01. Method of Amendment . . . . .	22

# REVISED AND RESTATED BYLAWS OF GIBSON ELECTRIC MEMBERSHIP CORPORATION

## ARTICLE 1 MEMBERSHIP

Section 1.01. ELIGIBILITY. Any natural person, firm, association, corporation, business, trust, partnership, federal agency, state or political subdivision or agency thereof or body politic shall be eligible to become a member of and to receive electric service at one (1) or more premises owned or directly occupied or used by the member from Gibson Electric Membership Corporation (Cooperative). No person shall hold more than one (1) membership in the Cooperative.

Section 1.02. APPLICATION FOR MEMBERSHIP. To become a member, any applicant for membership shall agree to purchase electric power and energy from the Cooperative, to comply with all the provisions of the Articles of Incorporation, these Bylaws, all rules, regulations and rate schedules established pursuant thereto, as all the same then exist or may hereinafter be adopted or amended, all of which obligations embraced by such agreement, being hereinafter referred to as "membership obligations." Said application shall be made orally or in writing and on such form as will be provided by Cooperative. With respect to any particular classification of service for which the Board of Trustees shall require, 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 fee as provided for in Section 1.03, any service security deposit, service connection fee or deposit, facilities extension deposit or contribution in aid of construction shall be billed to the applicant with the first or subsequent bill for service.

Any former member of the Cooperative, by the sole act of paying a new membership fee and any outstanding account balance plus accrued interest thereon at the legal rate in effect when such account first became overdue, compounded annually (together with any service security deposit, service connection deposit or fee, facilities extension deposit or contribution in aid of construction that may be required by Cooperative) may renew and reactivate any prior application newly made on the date of such payment.

Section 1.03. MEMBERSHIP FEE; SECURITY DEPOSITS; FACILITIES EXTENSION DEPOSITS; AND CONTRIBUTION IN AID OF CONSTRUCTION. The membership fee shall be from time to time fixed by action of the Board of Trustees. The membership fee (together with any service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction or any combination thereof, if required by the Cooperative), shall entitle the member to one (1) service connection. A service connection deposit or fee, in such amount as shall be prescribed by the Board of Trustees (together with a service security deposit, facilities extension deposit or contribution in aid of construction, if required by the Cooperative), shall be paid by the member for each additional service connection requested.

Section 1.04. JOINT MEMBERSHIP. Any two (2) or more natural persons (including husband and wife), by all signing the membership application and any supplemental agreement as may be required by the Board of Trustees, may be accepted into joint membership, or if one of them is already a member, by the other person(s) signing the application, convert such membership into a joint membership. The words "member," "applicant," "person," "his," "him," "she" and "her," as used in these Bylaws, shall include persons applying for or holding a joint membership, unless otherwise clearly distinguished herein; and all provisions relating to the rights, powers, terms, conditions, obligations, responsibilities and liabilities of membership shall apply equally, severally and jointly, to all such joint members.

Without limiting the generality of the foregoing:

- (a) The presence at a meeting of either, both or all shall constitute the presence of one (1) member and joint waiver of notice of the meeting;
- (b) The vote of either, both or all shall constitute, respectively, one (1) joint vote; PROVIDED, however, that if more than one (1) joint member be present, but in disagreement on such vote, each joint member shall be allowed a pro-rata fractional vote;
- (c) Notice to, or waiver or notice signed by, either, both or all joint members shall constitute, respectively, a joint notice or waiver of notice;
- (d) Suspension or termination in any manner, or either, shall constitute, respectively, suspension or termination of the joint membership.

Section 1.05. ACCEPTANCE INTO MEMBERSHIP. Upon complying with the requirements as set forth in Section 1.02, hereinabove stated, any applicant shall, by Board resolution, be accepted into membership in and become eligible to receive electric service from the Cooperative, unless the Board of Trustees shall determine that such applicant is not willing or is not able to satisfy and/or abide by the Cooperative's terms and conditions of membership or that such applicant should be rejected for some other good cause. Any person whose application has been submitted to, but not approved by the Board of Trustees for sixty (60) days, may, by the filing of a written request, have the application submitted to and approved or disapproved by the vote of the members which Trustees present at such meeting. Such written request shall be filed with the Cooperative at least thirty (30) days prior to the next meeting of the Board of Trustees, at which meeting the applicant shall be entitled to be present and be heard.

Section 1.06. PURCHASE OF ELECTRIC POWER AND ENERGY; POWER PRODUCTION BY MEMBER; APPLICATION OF PAYMENTS TO ALL ACCOUNTS. The Cooperative shall use reasonably diligent efforts to furnish its members with adequate and dependable electric service, although it cannot, and therefore does not, guarantee a continuous and uninterrupted supply of electric service. Each member, for so long as such premises are owned or directly occupied or used by the member, shall purchase from the Cooperative all central station electric power and energy to be provided for use on all premises to which electric service has been furnished by the Cooperative pursuant to membership, (except to the extent that the Board of Trustees may in writing waive such requirement). The

member shall pay for the same in accordance with 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 Trustees and, if in effect, in accordance with the provisions of any supplemental contract that may have been entered into as provided in Section 1.02 hereinabove. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities, shall be subject to appropriate regulations as may be fixed from time to time by the Cooperative.

Each member shall also pay all other amounts owed to the Cooperative as and when they become due and payable. When the member has more than one (1) service connection from the Cooperative, any payment by the member for service from the Cooperative shall be deemed to be allocated and credited on a pro-rata basis to the member's outstanding accounts for such service connections, notwithstanding that the Cooperative's actual accounting procedures do not reflect such allocation and proration.

Section 1.07. WIRING OF PREMISES; RESPONSIBILITY THEREFORE; RESPONSIBILITY FOR METER TAMPERING OR BYPASSING AND FOR DAMAGE TO COOPERATIVE PROPERTIES; EXTENT OF COOPERATIVE RESPONSIBILITY; INDEMNIFICATION. Each member shall cause all premises receiving electric service pursuant to membership acceptance to become and to remain wired in accordance with the specifications of the Division of Fire Prevention, Department of Commerce and Insurance of the State of Tennessee or the State of Kentucky as dictated by locale of premises receiving electric service; the National Electric 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 its employees, agents and independent contractors against death, injury, loss or damage resulting from any defect in or improper use or maintenance of such premises and all wiring and apparatuses connected thereto or in use thereon. Each member shall make available to the Cooperative a suitable site, as determined by 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 safely and without interference from animals, hostile or otherwise, or any other source of interference for meter reading, bill collecting, inspection, maintenance, replacement, relocation, repair or disconnection of such facilities at all reasonable times. As part of the consideration for such service, each member shall be the Cooperative's bailee for any of Cooperative's property or facilities and shall accordingly desist from interfering with, impairing the operation of or causing damage to such property or facilities, and shall use best efforts to prevent others from doing so.

Each member shall also provide such protective devices to member's premises, apparatuses or meter base as the Cooperative from time to time requires in order to protect the Cooperative's physical facilities in their operation and to prevent any interference with or damage to such facilities. 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 should have



prevented such, the member shall indemnify the Cooperative and its employees, agents and independent contractors 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. The Cooperative shall, however, in accordance with its applicable service rules and regulations, indemnify the member for any overcharges for service that may result from a malfunctioning of its metering equipment or any error occurring in the Cooperative's billing procedures. In no event shall the responsibility of the Cooperative for furnishing electric service extend beyond the point of delivery.

Section 1.08. EASEMENTS AND LOAD MANAGEMENT PROGRAMS. Each member shall, upon being requested to do so by the Cooperative, execute and deliver to the Cooperative grant(s) of easement or right-of-way over, on and under any 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 the member or other members or for the construction, operation, maintenance or relocation of the Cooperative's electric facilities or for any other services permitted by law.

Each member shall participate in any required program that may be established by the Cooperative to enhance load management more efficiently to utilize or conserve electric energy or to conduct load research.

## ARTICLE II MEMBERSHIP SUSPENSION AND TERMINATION

Section 2.01. SUSPENSION; REINSTATEMENT. Upon any member's failure, after the expiration of the initial time limit prescribed either in a specific notice to the member or in the Cooperative's generally publicized applicable rules and regulations, to pay any amounts due the Cooperative or to cease any other noncompliance with membership obligations, membership shall automatically be suspended and the member 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 the Cooperative, including any additional charges required for reinstatement, and/or cessation of any other noncompliance with 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 2.02. TERMINATION BY EXPULSION; RENEWAL. Upon failure of a suspended member to be reinstated to membership as provided in section 2.01, any member may, without further notice, but only after due hearing if such is requested by the member, be expelled by resolution of the Board of Trustees at any subsequently held regular or special meeting of the Board. Any person so expelled may appeal to the Cooperative, at least ten (10) days prior to the next meeting of its members, by delivering a written notice of appeal of the expulsion. The person so appealing may be present and heard at such meeting and the members may vote to

approve or disapprove such expulsion. In the latter event, such membership shall be reinstated retroactively to the date of his expulsion. Following a final effective expulsion of a member, the member may not again become a member except upon approval of new application by the Board of Trustees as provided in Section 1.05 hereinabove. The Board of Trustees, in acting upon a new application following expulsion, may establish such additional terms and conditions for membership as it determines to be reasonably necessary to assure the applicant's compliance with all membership obligations.

Section 2.03. TERMINATION BY WITHDRAWAL OR RESIGNATION. A member may withdraw from membership under applicable conditions as may be from time to time prescribed by the Board of Trustees upon either (a) closing, ceasing to own or directly occupy or use all premises being furnished electric service pursuant to membership, or (b) 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 REMAINING OR NEW PARTNER. Except as provided in Section 2.06 hereinafter, the death of an individual natural person member or the cessation of the legal existence of any other entity shall automatically terminate such membership.

PROVIDED, however, that upon the dissolution for any reason of a partnership, or upon the death, withdrawal or addition of any individual partner, such membership shall continue to be held by such remaining and/or new partner or partners as continue to own or directly occupy or use the premises being furnished electric service to the membership in the same manner and to the same effect as though such partnership had never been held by different partners.

PROVIDED further, however, that neither a withdrawing partner nor the Estate shall be released from any debts then due the Cooperative.

Section 2.05. EFFECT OF TERMINATION. Upon the termination in any manner of a person's membership, the member or the member's Estate, as the case may be, shall be entitled to a refund of the membership fee, along with the service security deposit, if any, theretofore paid the Cooperative, less any payments due the Cooperative.

PROVIDED, however, that neither the member nor the member's Estate, as the case may be, shall be released from any debts or other obligations then remaining due to the Cooperative. The suspension or expulsion of a member, as hereinabove provided in Sections 2.01 and 2.02, shall not constitute a release of such person from membership obligations so as to entitle such person to purchase from any other person or central station of electric power and energy for use at the premises to which such service has heretofore been furnished by the Cooperative pursuant to such membership, unless the Board of Trustees shall expressly release such person from such obligations.

Section 2.06. EFFECT OF DEATH, LEGAL SEPARATION OR DIVORCE UPON A JOINT MEMBERSHIP. Upon the death of any person of a joint membership, such membership shall continue to be held solely by the survivors in the same manner and to the same effect as though such membership had never

been joint.

PROVIDED, however, that the Estate of the deceased person shall not be released from any debts due to the Cooperative.

Upon the separation or divorce of the holders of a joint husband and wife 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, however, that the non-occupant spouse shall not be released from any debts due to 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 Trustees, as soon as practical 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 Trustees approves, membership retroactive to the date on which such person first began receiving such service. In said event, the Cooperative, to the extent dedicated or devoted to the public use, may, for the purpose of continuing service and avoiding hardship and to an extent which shall not exceed forty percent (40%) of the total number of persons served by the Cooperative, continue to serve the persons served directly from such facilities at the time of such acquisition without requiring that such persons become members; and PROVIDED further, that such nonmembers shall have the right to become members on nondiscriminatory terms.

### ARTICLE III MEETINGS OF THE MEMBERS

Section 3.01. ANNUAL MEETING. Not less than ninety (90) days before the date selected, the Board of Trustees shall select a date, time and place within the service area of the Cooperative for the annual meeting of members for the purpose of passing upon reports covering the previous fiscal year and the transacting of such other business as may come before the meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

Section 3.02. SPECIAL MEETINGS. Special meetings of the members may be called by the Board of Trustees, by any three (3) Trustees, by the Chairman of the Board, or upon a written request signed by at least ten percent (10%) of all the members, and shall thereupon be the duty of the Secretary of the Board to cause notice of such meeting to be given as hereinafter provided in Section 3.03. Special meetings of the members may be held at any place within the Cooperative's service territory, which shall be specified in the notice of the special meeting.

Section 3.03. NOTICE OF MEMBERS' MEETINGS. Written or printed notice of the place, date and hour of an annual meeting, district meeting, special meeting or of an annual meeting requiring special notice in which business is to be transacted, shall be delivered to each member not less than five (5) days nor more than sixty (60) days prior to the date of the meeting, either personally or by mail, by the Secretary (and in the case of a special meeting, at the direction of the Secretary or those calling the meeting). In the case of a special meeting or of an annual meeting requiring special notice in which business is to be transacted, the purpose or purposes of the meeting shall be included in said notice. Any such notice delivered by mail may be included with members' service billing, as an integral part of the Cooperative's monthly newspaper or as an integral part of any newsletter or periodical furnished to all the members of the Cooperative. No matter, which requires by law the affirmative vote of at least a 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 the address as it appears on the member's records of the Cooperative, with postage thereon prepaid. In making such computation, the day of the mailing shall not be counted, but the date of the meeting shall be counted.

The incidental and unintended failure of any member to receive such notice shall not invalidate any action which may be taken by the members at such meeting.

The attendance in person 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 (1) or more items of business, on the ground that the meeting shall not have been lawfully called or convened.

Any member attending any meeting for the purpose of making such an objection shall notify the Secretary of any objection prior to the meeting of the members.

Section 3.04. QUORUM. Subject to any mandatory amendment to Tennessee Code Annotated Section 65-25-211(d), at least two percent (2%) of the Cooperative's members or one hundred (100) members, whichever is less, shall constitute a quorum for the transaction of business at all meetings of the members. In the case of a joint membership, Section 1.04, as hereinabove stated, shall apply. If less than a quorum is present at any meeting, a majority of those present may adjourn the meeting from time to time without further notice.

At district meetings, at least two percent (2%) of the members in that district, or ten (10) members, whichever is less, shall constitute a quorum.

If a majority of those present so direct, 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 as hereinabove stated.

At all meetings of the members, whether a quorum be present or not, the

Secretary shall annex to the minutes of the meetings, or incorporate therein by reference, a list of all members who were registered as being 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 (except as provided in Section 1.04 regarding joint memberships) to only one (1) vote upon each matter submitted to a vote at any meeting of the members. Additionally, voting by members who are not natural persons as provided in Section 1.01 shall be allowed to vote in person upon the presentation to the Credentials and Election Committee prior to or upon registration at each meeting, satisfactory written 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 unless, by law, the Cooperative's Articles of Incorporation or these Bylaws require otherwise. Members may not accumulate their votes or vote by mail.

Section 3.06. PROXY VOTING. No proxy may be voted at a district or annual meeting.

Section 3.07. CREDENTIALS AND ELECTION COMMITTEE. At least ten (10) days before any district meeting of the members, the Board of Trustees shall appoint a Credentials and Election Committee. The committee shall consist of three (3) or five (5) members of the Cooperative each of whom shall reside in and receive primary service in the district, who are not existing Cooperative employees, agents, officers, Trustees or known candidates for Trustee, and who are not close relatives (as hereinafter defined in Section 4.12) or members of the same household of such persons. The committee shall elect its own Chairman and Secretary.

It shall be the responsibility of the committee:

- (a) To establish or approve the manner of conducting member registration;
- (b) To establish or approve any ballot or other manner of voting;
- (c) To pass upon all questions that may arise with respect to the registration of members;
- (d) To supervise the count of all ballots or other votes cast in any election;
- (e) To rule upon the effect of any ballots indecisively marked or cast or other vote irregularity;
- (f) To rule upon all other questions that may arise relating to member voting and the election of Trustees (included but not limited to the validity of petitions, nominations, qualifications of candidates or the regularity of the nomination and election of Trustees);
- (g) To pass upon any protest or objection filed with respect to any election or conduct affecting the results of any election.

In the exercise of the committee's responsibility, the Cooperative will make its legal counsel available for advice.

In the event a protest or objection is filed concerning the election, such protest or objection must be filed during or within three (3) business days following the

adjournment of the meeting in which the voting is conducted.

Should any such protest or objection be filed, the committee shall thereupon be reconvened, upon notice from its Chairman or Secretary, not less than seven (7) days after such protest or objection is filed. The committee shall hear such evidence as is presented by the protesters or objectors who may be heard in person, by counsel, or both, and any opposing evidence.

The committee, by vote of a majority of those present and voting, shall, within a reasonable time but no 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 committee's decision on all matters covered by this Section shall be final.

The committee may not act on any matter unless a majority of the committee is present.

Section 3.08. 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 of the number of members present for the purpose of determining the existence of a quorum;
- (2) Reading of the notice of the meeting and proof of the due publication or mailing thereof, or 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 of, consideration of, and acting upon, reports of officers, trustees and committees;
- (5) The announcement of the result of the election of Trustees at district meetings, with the term of the elected Trustee to commence immediately following the meeting;
- (6) Unfinished business;
- (7) New business;
- (8) Adjournments.

PROVIDED, however, the Board of Trustees or the members themselves may from time to time establish a different order of business for the purpose of assuring the earlier consideration of an action upon any item of business, the transaction of which is necessary or desirable in advance of any other item of business.

PROVIDED, however, 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 3.09. DISTRICT MEETINGS. Meetings of members in each Trustee district shall be held in each year in which the term of the Trustee from that district expires. The election of a successor Trustee shall be the only business conducted in

such meeting.

The conduct of the election shall be by the Chairman of the District Credentials and Election Commission.

If there is only one (1) nominee for the election of Trustee in any district, no district meeting shall be held.

## ARTICLE IV TRUSTEES

Section 4.01. GENERAL POWERS AND NUMBER. The business affairs of the Cooperative shall be managed by a Board of twelve (12) Trustees. The Board of Trustees and the Trustees, respectively, shall have the powers, authority, rights, protections, and obligations of the board of directors and of directors, respectively, under the Tennessee Rural Electric and Community Services Cooperative Act and the Tennessee Nonprofit Corporation Act, as applicable.

Section 4.02. QUALIFICATIONS. No person shall be eligible to become or remain a Trustee of the Cooperative who is not a member of the Cooperative and who is not receiving service at the member's primary residential abode in the district for which the candidate/Trustee is seeking to represent or represents. No person shall be elected a Trustee or hold any other position of trust in the Cooperative who is the incumbent of or becomes elected to a public office for which a salary is paid or a salary is offered to be paid on or following March 22, 2012. No person shall be eligible to become or remain a Trustee of or to hold any other position of trust in the Cooperative who:

- (a) Is not 18 years of age;
- (b) Does not have the capacity to enter into legally binding contracts;
- (c) Is engaged in any business, or in any way employed by, affiliated with, or has a material financial interest in any individual or entity, other than an entity in which the Cooperative owns an interest, that:
  - (1) Regularly, directly and substantially competes with the Cooperative or any entity that the Cooperative controls or in which the Cooperative owns a majority interest ("Cooperative Subsidiary"); or
  - (2) Regularly sells goods and services to the Cooperative or a Cooperative Subsidiary; or
  - (3) Has an economic interest adverse to or which may adversely affect the operation of the Cooperative; or
  - (4) Possesses any conflict of interest with the Cooperative or a Cooperative Subsidiary;
- (d) Is in a business selling electric energy or any other substantial amount of supplies, products or services to the Cooperative or its subsidiaries;
- (e) Is in a business engaged in the construction and maintenance, including right-of-way maintenance, of distribution lines of the Cooperative;

- (f) Is or has been an employee of the Cooperative or its subsidiaries within five (5) years of the date of the annual meeting at which the Trustee takes office;
- (g) Is a close relative of an employee or incumbent Trustee of the Cooperative as hereinafter defined in Section 4.12;
- (h) While a Trustee, and during the five (5) years immediately prior to becoming a Trustee,
  - (1) Is, or has been, convicted of a felony; or
  - (2) Pleads, or has pled, guilty to a felony;
- (i) Has not been for at least one (1) year prior to nomination, or ceases after being elected; a member in good standing of the Cooperative;
- (j) Has not, within four (4) years of becoming a Trustee, received the National Rural Electric Cooperative Association Credentialed Cooperative Director designation (applicable to Trustees elected August 5, 2006 and thereafter); and
- (k) Does not comply with any other reasonable qualifications and policies as determined by the Board.

Upon establishment of the fact that a nominee for Trustee lacks eligibility under this Section, or as may be provided elsewhere by these Bylaws, it shall be the duty of the Chairman of the Board, presiding at the meeting at which such nominee shall otherwise be voted upon, to disqualify such nominee.

Upon establishment of the fact that a person considered for or already elected a Trustee or other position of trust in the Cooperative lacks eligibility under this Section, it shall be the duty of the Board of Trustees to withhold such position from such person or to cause such person to be removed therefrom, as the cause may be.

PROVIDED, however, nothing contained in this Section shall, or shall be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Trustees.

Section 4.03. TRUSTEE DISTRICTS. The territory served by the Cooperative shall be divided by the Board of Trustees into twelve (12) Trustee districts. Each Trustee district shall be represented by one (1) Trustee who must be a resident of, domiciled in and receiving service at the Trustee's principal place of residence within the district which he represents. The Board of Trustees, at any regular or special meeting held not less than thirty (30) days prior to the meeting of the Nominating Committee, may, by resolution, alter the geographical boundaries of the districts with the aim of arranging equitable districting. Upon the submission of a petition signed by fifty (50) or more members of the Cooperative, the Board of Trustees shall be required to consider and take action upon rearrangement of geographical boundaries. Failure of the Board of Trustees to make such redistricting shall not invalidate or in any way affect or impair the validity of the corporation action.

Effective January 1, 2016, the geographic boundary of District 12 shall be comprised of the service territory of Hickman-Fulton Counties Rural Electric



Cooperative Corporation (“Hickman-Fulton”) as of December 31, 2015. For so long as the Cooperative provides services to all or a substantial portion of the former Hickman-Fulton service territory, at least one Trustee district of the Cooperative shall be comprised of all or substantially all of such former service territory and the boundaries of such Trustee district will not be substantially modified without the reasonable consent of the Trustee then representing such Trustee district.

For the purpose of electing Trustees for staggered terms, Trustee Districts 1, 2, 3 and 4 shall constitute districts of the “first class” (election in 2015 and every third year thereafter); Trustee Districts 5, 6, 7 and 12 shall constitute districts of the “second class” (election in 2016 and every third year thereafter), and Trustee Districts 8, 9, 10 and 11 shall constitute districts of the “third class” (election in 2017 and every third year thereafter).

Section 4.04. ELECTION AND TENURE. Beginning with the year 2003, it shall be the duty of the Board of Trustees to select a date, time and place for a district meeting of members in each Trustee district in which a Trustee’s term expires. A Trustee whose term expires will be elected by secret written ballot by the members in such district present by a plurality of votes cast. Drawing by lots shall resolve any tie votes.

PROVIDED, however, when, following the expiration of the nomination period, there is only one (1) candidate for Trustee in a district, no district election will be held and said candidate shall, without further action, assume the office of Trustee.

The term of elected Trustees is three (3) years and the terms shall expire at the annual meeting of the members of the year in which their term expires or when their successors shall have been elected and qualified.

All Trustees presently serving shall continue in office until their terms expire. Elections for Trustees from Trustee Districts of the “first,” “second” and “third” classes shall be held at the district meetings in the years 2015, 2016 and 2017, respectively. With respect to District 12 created under these Bylaws, effective January 1, 2016 and upon the merger of Hickman-Fulton into the Cooperative, the initial Hickman-Fulton Board appointed District 12 Trustee will serve a term that shall expire on the date of the 2019 Annual Meeting. Thereafter the term of the District 12 Trustee shall be concurrent with and shall expire concurrently with all other “second class” Trustees.

Section 4.05. NOMINATIONS. It shall be the duty of the Board of Trustees to appoint, not less than ninety (90) days before the date of the first district meeting of the members at which Trustees are to be elected, a committee on nominations consisting of not less than three (3) nor more than twelve (12) members. The committee members shall be selected so as to give equitable representation on the committee to the geographical areas served or to be served by the Cooperative for the districts at which Trustees are to be elected. No officer or member of the Board of Trustees shall be appointed as a member of such committee. No less than forty (40) days before the meeting of the committee, a list of nominations for Trustee shall be prepared and posted at the principal office of the Cooperative.

PROVIDED, however, any fifty (50) or more members may make other nominations in writing over their signatures not less than thirty (30) days prior to the committee meeting. The Secretary shall post any such member nominations at the same place where the list of nominations made by the committee is posted.

The Secretary shall mail with the notice of the meeting a statement of the number of Trustees to be elected. The statement shall show separately the nominations made by the committee on nominations and the nominations made by member petition, if any. The failure to comply with any provision of this section shall not affect the validity of any election of Trustees.

Section 4.06. REMOVAL OF TRUSTEES BY MEMBERS. Any member may, for cause and in writing, bring one (1) or more charges against any Trustee(s) and request the removal of such Trustee(s) by filing with the Secretary the charge or charges, together with a petition signed by not less than ten percent (10%) of the total membership of the Cooperative. The petition shall call for a special member meeting specifying the place, time and date thereof. Said special member meeting shall occur not less than forty (40) days nor more than ninety (90) days after filing of the petition.

PROVIDED, however, the petition may request that the matter be acted upon at the next annual meeting of members if such members meeting is to be held no sooner than forty (40) days nor more than ninety (90) days after the filing of the petition. Each page of the petition shall state the name and address of each member filing such charge, a verbatim statement of such charge or charges, and the name or names of the Trustee(s) against whom such charge or charges is or are made. The petition shall be signed by each member in the same name as is billed by the Cooperative and shall state the signatory's address as the same appears on such billings.

Notice of such verbatim charge or charges against the Trustee(s) against whom the charge or charges have been made and the name of the member or members filing the charge(s) shall be contained in the notice of the meeting, or separate notice to the members. Either such notice shall be given not less than five (5) days prior to the member meeting at which the matter is to be acted upon. After the charges have been validly filed, the Trustee(s) so charged shall be informed in writing of the charge(s) at least twenty (20) days prior to the meeting of the members at which the charges are to be considered.

Upon convention of the member meeting to consider the charges, the person(s) bringing the charge(s) shall have an opportunity to present evidence in respect to the charge(s), or charge to be heard in person or through counsel and to present witnesses. Upon conclusion of the member(s) presentation of charge(s), each Trustee so charged shall then have an opportunity to present evidence in respect to the charge(s), to be heard in person or through counsel and to present witnesses.

Upon conclusion of the presentation of evidence by the member(s) and Trustee(s) so charged, the question of removal of such Trustee(s) shall then, separately for each Trustee(s), be considered and voted upon by secret ballot.

Upon a vote by the members to remove any Trustee(s), any vacancy created by such removal shall then be filled by vote of the members through nominations

made from the floor, without the requirement of compliance with any provisions with respect to nominations.

Any newly elected Trustee shall reside in the same Trustee District as did the Trustee whose office the new Trustee succeeds and the new Trustee shall serve until the next annual meeting of members.

Section 4.07. VACANCIES. Subject to the provisions of Section 4.06, immediately preceding any vacancy occurring in the Board of Trustees may be filled by the Board of Trustees from among qualified members in the Trustee District in which the vacancy occurred. Any Trustee so elected shall serve until the next annual members' meeting or until a successor is elected and qualified.

Section 4.08. COMPENSATION; EXPENSES. For their attendance at meetings of the Board of Trustees, Trustees shall, on a per diem basis, receive such fee as is fixed by resolution by the Board of Trustees. Such fee may include insurance benefits. Trustees may receive, on a per diem basis, the same or a different fixed fee for their duly authorized attendance at similar type meetings or for performance of other Trustee duties. Trustees shall receive advancement or reimbursement of any travel and out-of-pocket expenses actually, necessarily and reasonably incurred in performing their duties. No Trustee shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a Trustee receive compensation for serving the Cooperative, unless (a) the payment and amount of any such compensation shall be specifically authorized by a vote of the members or (b) the payment and amount of any such compensation shall be specifically authorized by the Board of Trustees upon certification of such compensation as an emergency measure;

PROVIDED, however, a Trustee 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 by the Board of Trustees in advance of such services.

Section 4.09. RULES, REGULATIONS, RATE SCHEDULES AND CONTRACTS. The Board of Trustees shall have power to make, adopt, amend, abolish and promulgate such rules, regulations, rate schedules, contracts, security deposits and any other types of deposits, payments or charges, including contributions in aid of construction, which are not inconsistent with any applicable law or with the Cooperative's Articles of Incorporation or Bylaws, as the Board may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

Section 4.10. ACCOUNTING SYSTEM AND REPORTS. The Board of Trustees shall cause to be established and maintained, a complete accounting system of the Cooperative's financial operations and condition. The Board of Trustees 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 Cooperative financial operations during each fiscal year and Cooperative financial condition as of the end of each fiscal 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. The Board may authorize special audits, complete or partial, at any

time and for any specified period of time.

Section 4.11. SUBSCRIPTION TO COOPERATIVE'S NEWSLETTER; SUBSCRIPTION TO STATEWIDE PUBLICATION. For the purpose of disseminating information devoted to the economical, effective and conservative use of electric energy, the Board of Trustees shall be empowered, on behalf of and for circulation to the members periodically, to subscribe to the statewide publication, "The Tennessee Magazine," or the "Kentucky Living" magazine or their successors. The annual subscription price allocated to the Cooperative 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 4.12. "CLOSE RELATIVE" DEFINED. As used in these Bylaws, the term "close relative" means a person who, by blood, in-law, and step and adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew or niece of the principal.

## ARTICLE V MEETINGS OF THE TRUSTEES

Section 5.01. REGULAR MEETINGS. A regular meeting of the Board of Trustees shall be held, without notice, immediately after the adjournment of the annual meeting of the members, or as soon thereafter as convenient, at such site as selected by the Board in advance of the annual member meeting.

Regular meetings of the Board of Trustees shall also be held monthly at such date, time and place in the area served by the Cooperative.

PROVIDED, however, all Trustees may consent to such meeting being held at some other place in Tennessee or elsewhere as the Board shall provide by resolution. Such regular monthly meeting may be held without notice other than such resolution fixing the date, time and place thereof, except when business to be transacted at such meeting shall require special notice.

Regular meetings of the Board of Trustees or any other meetings of the Board may be held in person, by telephone conference call, or any other electronic means without regard to the actual location of the Trustees at the time of meeting, if all Trustees consent thereto.

Any Trustee absent from any meeting of the Board of Trustees which is recessed or adjourned to a later date, time and place shall be entitled to receive written notice of such recessed or adjourned meeting at least three (3) days prior to such meeting. However, the Board may establish a policy providing that the Chairman of the Board may change the date, time and place of a regular monthly meeting for good cause and with no less than three (3) days' notice thereof to all Trustees.

Section 5.02. SPECIAL MEETINGS. Special meetings of the Board of Trustees may be called by Board resolution, by the Chairman of the Board, or by any three (3) Trustees. The Board, the Chairman of the Board, or the Trustees calling the meeting shall fix the date, time and place thereof, which shall be held within the area served by the Cooperative.

PROVIDED, however, all Trustees may consent to any such meeting being held at some other place in Tennessee or elsewhere. Upon the calling of a special meeting, it shall be the duty of the Secretary to cause notice of such meeting to be given, as provided hereafter in Section 5.03.

Section 5.03. NOTICE. Notice of the time, place and purpose of any special meeting of the Board of Trustees shall be given at least three (3) days previous thereto, by written notice, delivered personally, electronically, or mailed, to each Trustee at the last known address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. The attendance of a Trustee at any meeting shall constitute a waiver of notice of such meeting, except in case of a Trustee attending the special meeting for the express purpose of objecting to the transaction of any business based upon an allegation that the meeting was not lawfully called or convened.

Section 5.04. QUORUM. The presence in person of a majority of the Trustees in office shall be required for the transaction of business. A Trustee who, by law or by these Bylaws, is disqualified from voting on a particular matter shall not, with respect to consideration of an action upon that matter, be counted in determining the number of Trustees in office or present for consideration of that particular matter.

If less than a quorum be present at any meeting, a majority of the Trustees present may adjourn the meeting from time to time, but shall cause the absent Trustees to be duly and timely notified of the date, time and place of the rescheduled meeting.

Section 5.05. MANNER OF ACTING. At any meeting of the Board of Trustees at which a quorum is present, the affirmative votes of a majority of the Trustees present and voting shall be the act of the Board of Trustees.

## ARTICLE VI OFFICERS; MISCELLANEOUS

Section 6.01. NUMBER AND TITLE. The officers of the Cooperative shall be Chairman, Vice Chairman, Secretary-Treasurer and Assistant Secretary-Treasurer together with such other officers as may from time to time be determined by the Board of Trustees. The Board is authorized to elect separate persons for the office of Secretary and Treasurer and Assistant Secretary and Assistant Treasurer.

Section 6.02. ELECTION AND TERM OF OFFICE. The officers named in Section 6.01 shall be elected annually at the first meeting of the Board held after the annual meeting of the members to be voted on by secret written ballot, without nomination by and or from the Board of Trustees. If the election of officers cannot be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until the meeting of the Board to first be held after the succeeding annual meeting of the members or until a successor shall have been duly elected and qualified. However, this holding of office is subject to the provisions of these Bylaws with respect to the removal of Trustee(s) and to the removal of officers by the Board of Trustees.

Section 6.03. REMOVAL. Any officer, agent or employee elected or appointed by the Board of Trustees may be removed by the Board whenever, in its judgement, the best interest(s) of the Cooperative will be served.

Section 6.04. VACANCIES. A vacancy in any office elected or appointed by the Board of Trustees shall be filled by vote of the Board for the unexpired portion of the term of office so vacated.

Section 6.05. CHAIRMAN OF THE BOARD. The Chairman of the Board shall:

- (a) be the principal executive officer of the Cooperative and shall preside at all meetings of the members and of the Board of Trustees; and
- (b) sign, together with the Secretary, certificates of membership, the issuance of which shall have been authorized by resolution of the Board of Trustees, any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Trustees to be executed. PROVIDED, however, the provisions of this subsection (b) shall be excepted to in cases in which the signing and execution of documents shall be expressly delegated by the Board of Trustees or by these Bylaws to some other officer or agent of the Cooperative, or as required by law to be otherwise signed or executed; and
- (c) in general perform all duties incident to the office of Chairman of the Board and such other duties as may be prescribed by the Board of Trustees from time to time.

Section 6.06. VICE CHAIRMAN OF THE BOARD. In the absence of the Chairman of the Board, or in the event of the Chairman's inability or refusal to act, the Vice Chairman shall perform the duties of the Chairman. When so acting, the Vice Chairman shall have all the powers of the office of Chairman, be subject to all the restrictions upon the Chairman and shall perform such other duties as from time to time may be assigned by the Board of Trustees.

Section 6.07. SECRETARY-TREASURER. The Secretary-Treasurer shall:

- (a) keep the minutes of all meetings of the members and all meetings of the Board of Trustees (excluding committee meetings) in one (1) 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 issuance thereof; and see that all documents executed on behalf of the Cooperative under its seal are duly authorized in accordance with the provisions of these Bylaws;
- (d) keep a register of the mailing address of each member of the Cooperative as shall be furnished to the Secretary by such member(s);
- (e) sign, together with the Chairman of the Board, certificates of membership, the issuance of which shall have been authorized by resolution of the Board of Trustees;

- (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 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, forward a copy of the Bylaws and all amendments thereto to each member upon the express application and request of the member(s) therefor;
- (h) in general, perform all duties incident to the office of Secretary and such other duties as from time to time as may be assigned by the Board of Trustees;
- (i) have charge and custody of and be responsible for all funds and securities of the Cooperative;
- (j) receive and give receipts for moneys due and payable to the Cooperative from any source whatsoever, and deposit all such moneys in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these Bylaws; and
- (k) in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board of Trustees.

PROVIDED, however, should the Board of Trustees elect separate persons for the office of Secretary and Treasurer, the Secretary shall have all the duties outlined in Subsections (a) through (h) of this Section 6.07 and the Treasurer shall have the responsibilities contained in Subsections (i) through (k) of this Section 6.07.

Section 6.08. ASSISTANT SECRETARY-TREASURER. In the absence of the Secretary-Treasurer, or in the event of the Secretary-Treasurer's inability or refusal to act, the Assistant Secretary-Treasurer shall perform the duties of the Secretary-Treasurer. When so acting, the Assistant Secretary-Treasurer shall have all the powers of the office of Secretary-Treasurer; be subject to all the restrictions upon the Secretary-Treasurer; and shall perform such other duties as from time to time may be assigned by the Board of Trustees.

Should the Board of Trustees elect separate persons for the office of Assistant Secretary and Assistant Treasurer, the Assistant Secretary shall have all the duties outlined in Subsections (a) through (h) of the above Section 6.07 and the Assistant Treasurer shall have the responsibilities contained in Subsections (i) through (k) of the above Section 6.07.

Section 6.09. DELEGATION OF SECRETARY-TREASURER'S RESPONSIBILITIES. Notwithstanding the duties, responsibilities and authorities of the Secretary-Treasurer, or Secretary and Treasurer, as hereinbefore provided in Sections 6.07 and 6.08, the Board of Trustees, by resolution, may, except as otherwise limited by law, delegate, wholly or in part, the responsibility and authority for, and in the regular or routine administration of, one (1) or more of each such officer's such duties to one (1) or more agents, other officers or employees of the Cooperative who are not Trustees. To the extent that the Board does so delegate with respect to any such officer, that officer shall be released from such duties, responsibilities and authorities.

Section 6.10. PRESIDENT AND CHIEF EXECUTIVE OFFICER. The Board of Trustees may appoint a President and Chief Executive Officer who may be, but who shall not be required to be, a member of the Cooperative. Such officer shall perform such duties as the Board of Trustees may from time to time require and shall have such authority as the Board of Trustees may from time to time vest in the President and Chief Executive Officer.

Section 6.11. BONDS. The Board of Trustees 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 Trustees shall determine. The Board of Trustees 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. The costs of all such bonds shall be borne by the Cooperative.

Section 6.12. COMPENSATION; INDEMNIFICATION. The compensation, if any, of any officer, agent or employee who is also a Trustee or close relative of a Trustee shall be determined as provided in the above Section 4.12 of these Bylaws. The powers, duties and compensation of any other officer(s), agent(s) or employee(s) shall be fixed by or a plan therefore approved by the Board of Trustees. The Cooperative shall indemnify Trustees, officers, agents and employees against liability to the extent that their acts or omissions constituting the grounds for alleged liability were performed in their official capacity and, if actionable at all, were based upon good faith business judgments in the belief the acts or omissions were either in the best interests of the Cooperative or were not against the best interests of the Cooperative. The Cooperative may purchase insurance to cover such indemnification.

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 by law or these Bylaws, the Board of Trustees may authorize any Cooperative officer, agent or employee to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Cooperative. 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 or countersigned by such officer, agent or employee of the Cooperative in such manner as shall from time to time be determined by resolution of the Board of Trustees.

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 Trustees may select.

## ARTICLE VIII MEMBERSHIP CERTIFICATES

Section 8.01. CERTIFICATE OF MEMBERSHIP. Membership in the Cooperative may, if the Board of Trustees 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 Trustees, not contrary to or inconsistent with, the Cooperative's Articles of Incorporation or these Bylaws. Such certificate shall be signed by the Chairman of the Board and by the Secretary and the seal of the Cooperative affixed thereto.

PROVIDED, however, the seal and the signatures of the Chairman of the Board and Secretary may be imprinted thereon by facsimile.

Section 8.02. ISSUE OF MEMBERSHIP CERTIFICATES. No membership certificate shall be issued for less than the membership fee, nor until such membership fee, any required service security deposit, facilities extension deposit, service connection fees, or contributions in aid of constructions have been fully paid.

Section 8.03. LOST CERTIFICATE. In case of a lost, destroyed or mutilated certificate, a new certificate may be issued upon such terms and such indemnity to the Cooperative as the Board of Trustees may prescribe.

## ARTICLE IX NONPROFIT OPERATION

Section 9.01. INTEREST OR DIVIDENDS ON CAPITAL PROHIBITED. The Cooperative shall at all times be operated on a cooperative nonprofit basis for the mutual benefit of its members. No interest or dividends shall be paid by the Cooperative on any capital furnished by its members.

## ARTICLE X WAIVER OF NOTICE

Section 10.01. WAIVER OF NOTICE. Any member or Trustee may waive, in writing, any notice of meetings required to be given by these Bylaws or any notice that may otherwise be legally required, either before or after such notice is required to be given.

## ARTICLE XI DISPOSITION OF PROPERTY AND DISSOLUTION

Section 11.01. 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 duly held meeting of the members thereof, by

the affirmative vote of not less than two-thirds (2/3) 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, notwithstanding any provision of these Bylaws, or other provision(s) of law, the Board of Trustees of the Cooperative, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of mortgage(s) or deed(s) 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, wherever situated and whether acquired or to be acquired, together with any revenues and income therefrom. The execution and delivery of all such instruments hereinabove enumerated shall be upon such terms and conditions as the Board of Trustees shall determine to secure any indebtedness of the Cooperative to the United States of America or any instrumentality or agency thereof or to any corporation or financing institution authorized to assist in the credit and financial needs of cooperatives organized pursuant to the provisions of Chapter 25 of the Electric Cooperative Law of Tennessee.

Section 11.02. 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 as provided in Tennessee Code Annotated Section 65-25-220(b) (2).

PROVIDED, however, that if in the judgment of the Board, the amount of such surplus is too small to justify the expense of making such distribution, the Board may, in lieu thereof, donate or provide for the donation of such surplus to one (1) or more nonprofit charitable or educational organizations that are exempt from federal income taxation.

## ARTICLE XII FISCAL YEAR

Section 12.01. FISCAL YEAR. The Cooperative's fiscal year shall begin on the first day of January of each year and end on the last day of December of the same year.

Section 12.02. TRANSITION. The first fiscal year beginning on the first day of January shall be calendar year 2012. The terms of Trustees in all three classes (including the "first class" of trustees elected at district meetings in 2011 and taking office after the 2011 Annual Meeting) shall be extended so that terms of the "first class" of Trustees shall expire at the annual meeting in 2015, the terms of the "second class" of Trustees shall expire at the annual meeting in 2013, and the terms of the "third class" of Trustees shall expire at the annual meeting in 2014.

## ARTICLE XIII RULES OF ORDER

Section 13.01. RULES OF ORDER. Parliamentary procedure at all meetings of the members, of the Board of Trustees, of any committee provided for in these

Bylaws or any other committee of the members or Board of Trustees which may from time to time be established, shall be governed by the most recent edition of Roberts' Rules of Order, except to the extent such parliamentary procedures are otherwise determined by law, or by the Cooperative's Articles of Incorporation or by these Bylaws.

#### ARTICLE XIV MEMBERSHIP IN OTHER ORGANIZATIONS

Section 14.01. MEMBERSHIP IN OTHER ORGANIZATIONS. The Cooperative may become a member in one (1) or more other cooperatives or corporations or to own stock therein. Such membership or stock ownership shall include, but not be limited to, membership in national, state or regional organizations or associations of cooperatives having purposes and objectives for the bettering and perpetuating of activities for promoting the general welfare of all similar cooperatives. The Cooperative may pay the per diem and expenses of delegates or representatives of the Cooperative who attend meetings of the above. The Cooperative may further pay for membership in any corporation or cooperative association which requires membership therein as a condition precedent to extending credit to meet the financial needs of the Cooperative.

#### ARTICLE XV SEAL

Section 15.01. SEAL. The seal of the Cooperative shall be in the form of a circle and shall have inscribed thereon, around the circumference, the name of the Cooperative and in the center the words, "Seal, Trenton, Tennessee."

#### ARTICLE XVI AMENDMENTS

Section 16.01. METHOD OF AMENDMENT. These Bylaws may be altered, amended or repealed by the affirmative vote of not less than a majority of the votes cast by the members voting thereon at any regular or special member meeting, but only if the notice of such meeting shall have contained a copy of the proposed alterations, amendment or repeal, or an accurate summary in explanation thereof.

PROVIDED, however, the Board of Trustees may amend these Bylaws to conform with the minimum requirements for a quorum as provided in T.C.A. Section 65-25-211 (d), and subject to the same notice requirements as set forth foregoing for member action on Bylaws.



**Gibson Electric  
Membership Corporation**

® Your Touchstone Energy® Cooperative 

Revised Effective April 2023