

BYLAWS
OF THE
ALTAMAHA
ELECTRIC
MEMBERSHIP
CORPORATION

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MEMBERSHIP CORPORATION
BYLAWS**

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ALTAMAHA ELECTRIC MEMBERSHIP CORPORATION

BYLAWS

ARTICLE I Members

Section 1.01 Eligibility for Membership. Any person, as that term is defined by the Georgia Electric Membership Corporation Act, who may lawfully receive electrical service from an Electric Membership Corporation, is eligible to become a member of Altamaha Electric Membership Corporation.

Section 1.02 Preconditions to Membership. No person shall become a member unless the following conditions have been met:

- (a) The person has made a written application for membership in the Cooperative, in the form prescribed by the Cooperative;
- (b) The person has agreed to take electric service from the Cooperative at one or more premises;
- (c) The person has agreed to comply with and be bound by the Articles of Incorporation, Bylaws and Service Rules and Regulations of the Cooperative and any other reasonable rules and regulations from time to time adopted by the Board of Directors of the Cooperative;
- (d) The person has paid or made satisfactory arrangement for the payment of any past due indebtednesses owed by the person to the Cooperative;
- (e) The person has paid any security deposit, membership fee, contribution in aid of construction, and such other fee or charges as may be required by the Cooperative's Rates and Service Rules and Regulations in effect at the time of application;
- (f) The person has satisfied all other reasonable conditions established for membership by the Board of Directors;
- (g) The Board has passed a resolution accepting the person into membership of the Cooperative.

Should the Cooperative ascertain that it is providing electric service to a person who has not complied with, and upon written request refuses or fails to comply with, any one or

more of these preconditions, the Cooperative may terminate electric service to the premises of such person

Section 1.03 Retroactive Membership. 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 membership in the Cooperative, satisfies the foregoing conditions of membership 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 records and all related records accordingly.

Section 1.04 Joint Membership. Husband and wife may apply for a joint membership or may convert an existing membership held by either to a joint membership, and subject to their compliance with the requirements for membership set forth in Section 1.02 of this Article, may be accepted for membership. The term “member” as used in these Bylaws shall be deemed to include a husband and wife holding a joint membership and any provision relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the following principles shall apply in respect to joint members:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one (1) member and shall constitute a joint waiver of notice of the meeting;
- (b) A waiver of notice signed by either or both shall constitute a joint waiver;
- (c) The vote of either separately or both jointly shall constitute one (1) joint vote. Should joint members disagree as to how a vote should be cast, each joint member shall be entitled to cast a one-half (1/2) vote;
- (d) A consent signed by either or both shall constitute a consent for both;
- (e) Notice to either shall constitute notice to both;
- (f) Expulsion, suspension or withdrawal of either shall terminate the joint membership;
- (g) Either, but not both concurrently, may be a candidate for or elected or Appointed as an officer or member of the Board of Directors, provided that both meet the qualifications of the office;
- (h) Upon the death of either joint member, membership shall be held solely by the spouse; however, the estate of the deceased shall not be released from any debts due the Cooperative.

Upon the divorce or legal separation of spouses holding a joint membership, such membership shall be deemed transferred to the joint member who directly occupies or

uses the premises being furnished electric service by the Cooperative which form the basis of the joint membership. If more than one premises formed the basis of the joint membership, and subsequent to the divorce both joint members directly occupy or use one or more of the premises, then in that event, the joint membership shall continue as a joint membership unless otherwise expressly agreed by the joint members.

Section 1.05 Transfer of Membership. A membership may be transferred only upon the following conditions:

- (a) The transferee shall directly occupy or use the premises being furnished electric service by the Cooperative;
- (b) The transferee shall meet the requirements set forth in Section 1.02;
- (c) The transferor and transferee shall execute such documents as may be prescribed from time to time by the Board of Directors.
- (d) The transferor and transferee shall agree that transferee succeeds to all rights and obligations accruing to the membership of transferor;
- (e) Such transfer shall be approved by the Board of Directors and entered upon the books of the Cooperative. No such transfer shall be binding and effective unless and until such Board action is taken.

Section 1.06 Obligations of Members and Applicants for Membership. Each member and applicant for membership shall be obligated to:

- (a) Purchase from the Cooperative, as soon as electric energy shall be available, all central station electric energy purchased for use on premises to which electric service is provided by the Cooperative at the request of the member or the member's agent, unless temporarily prevented from doing so by causes reasonably beyond the control of the applicant or member, and shall pay therefore at rates which shall from time to time be fixed by the Board;
- (b) Comply with and be bound by the Articles of Incorporation, Bylaws and Service Rules and Regulations of the Cooperative and any other reasonable rules and regulations from time to time adopted by the Board of Directors of the Cooperative;
- (c) Upon request by the Cooperative, to execute and deliver to the Cooperative grants of easement or rights-of-way over, on and under lands owned by the member in accordance with such reasonable terms and conditions as the Cooperative may 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 facilities, lines and equipment for future members and applicants for membership;

- (d) Pay all sums justly due the Cooperative under the rates, tariffs, and Service Rules and Regulations promulgated from time to time by the Cooperative. (When the member has more than one service connection from the Cooperative, any payment for service by him to 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);
- (e) Cause all premises to which electric service is provided by the Cooperative to become and remain wired in accordance with the specifications of the National Electric Safety Code, the Fire Insurance Underwriter's Association, any government or governmental agency having authority to prescribe such specificity and the Cooperative. In this connection each member shall be responsible for and shall indemnify the Cooperative or any other person against injury, loss or damage resulting from any defect in or improper use or maintenance of the member's premises, wiring or apparatuses utilizing electrical energy on the premises.

IN NO EVENT, HOWEVER, SHALL THE RESPONSIBILITY OF THE COOPERATIVE EXTEND BEYOND THE POINT WHICH ITS SERVICE WIRES ARE ATTACHED TO THE MEMBER'S SERVICE ENTRANCE OR WIRING ON THE MEMBER'S PREMISES.

- (f) Provide devices to protect electrical motors and equipment in event of over current, low voltage, single phasing, etc.

Section 1.07 Suspension of Membership and Reinstatement of Membership. Upon the failure of a member to pay for electrical service provided to the member by the Cooperative within the time required, or upon the member's failure to comply with the member's obligations set forth in these Bylaws and the Service Rules and Regulations of the Cooperative, which results in the Cooperative's termination of electrical service to the member's premises, the membership rights of the member shall be suspended for a period of sixty (60) days from the date that the electrical service was terminated. If the member, within this sixty (60) day period, shall pay all sums required by the Cooperative's Bylaws and Service Rules and Regulations for reinstatement of service, and shall satisfactorily rectify any other non-compliance with the Service Rules and Regulations of the Cooperative and the Cooperative reinstates electric service to the premises of the member, the membership rights of the member shall be automatically reinstated.

Section 1.08 Withdrawal. Any member may withdraw from membership upon payment in full of all debts, liabilities and obligations of the member to the Cooperative and in compliance with such other terms and conditions as the Board of Directors may prescribe.

Section 1.09 Termination of Membership. A member will be deemed to have withdrawn and terminated his membership in the Cooperative upon the occurrence of any one of the following:

- (a) A voluntary withdrawal from membership by a member upon payment in full of all debts, liabilities and obligations of the member to the Cooperative and in compliance with such terms and conditions as the Board of Directors may prescribe;
- (b) The death or cessation of existence of member;
- (c) A member's failing to reinstate his or her membership which has been suspended in accordance with Paragraph 1.07.

Section 1.10 Expulsion. A member may be expelled from membership pursuant to such reasonable terms and conditions as may from time to time be adopted by the Board of Directors.

Section 1.11 Effect of Withdrawal, Termination and Expulsion. Upon the withdrawal, termination or expulsion of a member, the membership of such person shall terminate. Termination of a membership shall not release any member or the member's estate from any debts due the Cooperative.

ARTICLE II Meetings of Members

Section 2.01 Annual Meeting. The annual meeting of the members shall be held in the month of November of each year. The annual meeting shall be held at such time within the month of November at such place within a county in which electrical service is provided by the Cooperative as shall be determined by the Board of Directors and designated in the notice of the meeting. The annual meeting shall be for the purpose of electing directors, passing upon reports covering the previous fiscal year and transacting such other business as may properly come before the meeting. Nothing herein shall be construed; however, to authorize the consideration of any matter which, under these Bylaws, the Articles of Incorporation of the Cooperative, the Georgia Electric Membership Corporation Act or any other provision of law, are required to be, but have not been stated in the notice of the annual meeting.

Section 2.02 Special Meeting. Special meetings, or a special meeting in lieu of the annual meeting of members, may be called by the President, the Board of Directors or upon written request of not less than ten percent (10%) of the members of the Cooperative, in which event it shall be the duty of the Secretary to cause notice of such meeting to be given to the members. A special meeting of the members may be held at such place within a county in which electrical service is provided by the Cooperative as determined by the Board of Directors and specified in the notice of the special meeting.

Section 2.03 Notice of Members' Meetings. Written notice stating the place, day and hour of the annual meeting of the members, and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be provided not less than five (5) days (ten [10] days if notice is provided by a means other than first class mail) nor more than ninety (90) days before the date of the meeting by any reasonable means by or at the direction of the Secretary, or the officer or persons calling the meeting, to each member of record then entitled to vote at such meeting. Reasonable means of providing such notice shall include, but not be limited to, United States mail, personal delivery, electric membership corporation's newsletter or member's monthly service bill. Notice of any meeting of the members need not be given to any member who signs a waiver of notice either before or after the meeting. Attendance of a member at a meeting shall of itself constitute a waiver of notice and waiver of any and all objections to the place of the meeting, the time of the meeting or the manner in which it has been called or convened, except when a member attends a meeting solely for the purpose of stating at the beginning of the meeting any such objection or objections to the transaction of business.

Section 2.04 Quorum. Attendance in person of at least One Hundred Fifty (150) members of the Cooperative or persons who represent members in accordance with Section 2.05 below shall constitute a quorum for any meeting of members. A majority of those present may adjourn the meeting from time to time whether or not a quorum is present. When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken; and at the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting.

Section 2.05 Representation of Member. Unless it is made to appear otherwise by writing executed by the member and filed with the Secretary or his designate prior to a meeting of the members, a person eighteen (18) years of age or older residing in the primary residential abode of the member, who presents himself or herself to the Secretary, or his designated registrar(s), prior to a meeting of the members, as a representative of such member, shall be deemed to act and vote for the member he purports to represent and in as full and ample manner as if the member had been present and personally acting at the meeting. The presence of the member purported to be represented by such person shall, however, revoke the authority hereby created and only the member shall be entitled to act and vote at such meeting. Except as is expressly provided for herein, no other person shall have the authority to represent, act or vote for any member at a meeting of the members.

Section 2.06 Order of Business. The order of business at the annual meeting of the members, and so far as possible at all other meetings of the members, shall be essentially as follows:

- (a) Report on number of members present in person or represented pursuant to Section 2.05 in order to determine the existence of a quorum;

- (b) Reading or waiver of reading of the notice of the meeting and proof of provision of notice;
- (c) Reading or waiver of reading of unapproved minutes of previous meetings of the members and the taking of necessary action with respect to such minutes;
- (d) Presentation, consideration of and action upon reports of officers, directors and committees;
- (e) Election of directors;
- (f) Unfinished business;
- (g) New business;
- (h) Adjournment.

The Board may, however, in their discretion, establish a different order of business for the purpose of assuring the earlier consideration and action upon any item of business, the transaction of which is necessary or desirable in advance of any other item of business. If a revised order of business is established by the Board, notice of the revised order shall be provided in the notice of the meeting.

Section 2.07 Credentials and Election Committee. The Board of Directors, may, before or during any meeting of the members, appoint a Credentials and Election Committee. The Committee shall consist of an uneven number of members not less than five (5) nor more than fifteen (15) who are not members of the Nominating Committee or existing Cooperative employees, agents, officers, directors or candidates for director, and who are not close relatives (as hereinafter defined) or members of the same household of any of the foregoing persons (i.e. any person who cannot be a member of the Committee). In appointing the Committee, the Board may consider the equitable representation of the several areas served by the Cooperative. The Committee shall elect its own chairman and secretary. It shall be the responsibility of the Committee:

- (a) To resolve any disputes or questions concerning the validity of the petitions of nomination and the qualification of candidates for election to the Board of Directors of the Cooperative;
- (b) To count all ballots or other votes cast in any election or in any other matter;
- (c) To rule upon the effect of any ballots or votes irregularly or indecisively marked or cast;
- (d) To resolve any dispute concerning the eligibility of any individual presenting himself or herself at the annual meeting to register to vote at such a meeting;

- (e) To resolve any dispute concerning the eligibility of any individual presenting himself or herself at the annual meeting to register to vote on behalf of an organization which is a member entitled to vote at such annual meeting or on behalf of another member as provided in Section 2.05; and
- (f) To pass upon any protest or objection filed with respect to any election of directors or to conduct affecting the results of any such election;
- (g) To establish or approve and oversee the manner of conducting member registration and voting; and
- (h) To rule upon all other questions that may arise relating to member voting and the election of directors.

Any protest or objection concerning any ballot or vote must be in writing signed by one or more members/customers (“Protestor(s)”), and filed with the Chairman or Secretary of the Committee or their designee(s) not later than 5:00 p.m., on the third (3rd) business day following the adjournment of the meeting in which the voting is conducted. The Committee shall, after the Chairman’s notice to all affected candidates, be reconvened. The Committee shall hear such evidence as is presented by the Protestor(s) and any affected candidate, all of whom may be heard in person, by counsel, or both. The Committee shall, within thirty (30) days after such hearing, render its decision. The Committee shall act by majority vote and may not act on any matter unless a majority of the Committee is present at a meeting. The Committee’s decision on all matters covered by this Section shall be final.

Without limiting the foregoing duties and prerogatives of the Committee, upon request of the person presiding at the meeting, or any member entitled to vote at a meeting, the Committee shall make a report, in writing, of any challenge, questions, count, or matter determined by the Committee and execute a certificate of any fact found by them. Any such report or certificate made by them shall be prima-facie evidence of the facts stated and of the vote as certified by them.

As used in this Section, “close relative” means a person who, by blood or by marriage, including half, foster, step and adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew or niece of the principal.

In the exercise of its responsibility, the Committee shall be paid such per diem as the Board may determine and for mileage expenses for transportation to meetings of the Committee in an amount equal to the deductible amount authorized from time to time by the Internal Revenue Service.

The Cooperative shall make available to the Committee the advice of counsel and the services of accountants, clerical staff and such members of the Cooperative staff as the Committee may reasonably require to fulfill its duties.

Section 2.08 Robert's Rules of Order. Parliamentary procedure at any meeting of the members shall be governed by the most recent edition of *Robert's Rules of Order*, except to the extent such procedure is otherwise controlled by law, the Articles of Incorporation or these Bylaws. Any failure to conduct the meeting in compliance therewith, however, shall not render invalid any action taken at the meeting unless objection citing such failure is made at the time such action is taken.

ARTICLE III Directors

Section 3.01 General Powers of Board of Directors. The business and affairs of the Cooperative shall be managed by a Board of nine (9) directors which shall exercise all the powers of the Cooperative except such as are by law or by the Articles of Incorporation of the Cooperative or by these Bylaws conferred upon or reserved to the members.

Section 3.02 Districts and Classes of Directors – Election and Tenure in Office. Each of the nine (9) members of the Board of Directors shall represent one of the five (5) districts and shall be elected in accordance with the terms and procedures as hereinafter described:

(a) There shall be five (5) districts as follows:

1. District 1 shall be comprised of the service territory of the Cooperative lying within Tattnall and Toombs Counties;
2. District 2 shall be comprised of the service territory of the Cooperative lying within Treutlen County;
3. District 3 shall be comprised of the service territory of the Cooperative lying within Montgomery County;
4. District 4 shall be comprised of the service territory of the Cooperative lying within Emanuel County;
5. District 5 shall be comprised of the service territory of the Cooperative lying within Laurens and Johnson Counties.

(b) At the annual meeting of the members in 1987, Directors representing Districts 1, 3 and 4 shall be elected;

(c) At the annual meeting of the members in 1988, Directors representing Districts 1, 2 and 4 shall be elected;

- (d) At the annual meeting of the members in 1989, Directors representing Districts 2, 3 and 5 shall be elected;
- (e) Directors shall serve for a term of three (3) years and until the third succeeding annual meeting of the Members after each Director was elected or, notwithstanding the foregoing, until their successors shall have been elected and qualified;
- (f) Election of Directors shall be by secret ballot unless there is only one (1) member nominated for a seat coming vacant on the Board of Directors or the membership votes at the meeting to waive election by secret ballot as to that seat.
- (g) Notwithstanding the foregoing number of Districts, District descriptions and number of District directors provided in this Section, the Board of Directors may, from time to time, not to exceed once every three (3) years, by two-thirds (2/3) majority vote, determine that the boundaries of the Districts should be altered or that the number of Districts or directors should be increased or reduced so as to correct any substantially inequitable factors regarding the residence of members, the number or geographic location of Districts or the number of District directors. If the numbers or boundaries of the Districts are altered, the boundaries of the Districts shall be established by a map prepared from the records of the Cooperative and approved by a two-thirds (2/3) majority vote of the Board of Directors. If additional directorships are created, the Board of Directors shall, by a two-thirds (2/3) majority vote, appoint such additional Directors and fix their initial terms, not to exceed three (3) years. Alterations made pursuant to this Section shall require an amendment to the Bylaws. Written notice stating the amendments to this Section and the names, addresses and initial terms of any newly appointed additional directors shall be provided not less than five (5) days prior to the date on which the Nominating Committee for the next annual meeting shall first convene; PROVIDED, that any change made by the action of the Board shall be in full force and effect until the next annual meeting of the members; AND PROVIDED FURTHER, that no such change, whether effectuated by the Board or by the members, shall become effective so as to compel the vacancy of any director's office prior to the time such director's term would normally expire unless such director consents thereto in writing.

Section 3.03 Qualifications of Directors. No person shall be eligible to become or remain a nominee for director or a director of the Cooperative who:

- (a) Will not be eighteen (18) years of age or older on the date of election; or
- (b) Is not a member of the Cooperative and bona fide resident of the district represented; or

- (c) Is not receiving service from the Cooperative at his primary residence, unless temporarily prevented from doing so by causes reasonably beyond such member's control: PROVIDED, that the operating or chief executive officer (or his designee) of any member which is not a natural person, such as a corporation, notwithstanding that he does not receive service from the Cooperative at his primary residence, shall be eligible to become a nominee for director and a director from Directorate District of which such member is located, if he is (1) in substantial permanent occupancy, direction or use of the premises served by the Cooperative, and (2) is a permanent and year-round resident within or in close proximity to any area served by the Cooperative; BUT PROVIDED FURTHER that no more than one such person may be a nominee for or serve as a director at any time; or
- (d) Is currently, or has been within five (5) years before the date of the election, an employee of the Cooperative, an employee or director of a competing utility or enterprise, an employee or director of an enterprise which regularly contracts with the Cooperative, a close relative of an employee of the Cooperative, a close relative of an employee or director of a competing utility or enterprise, or a close relative of an employee or director of an enterprise which regularly contracts with the Cooperative. As used in this Section "close relative" means a person who, by blood or by marriage, including half, foster, step and adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew or niece of the principal; or
- (e) Is a member of, employed by or financially interested in an enterprise or organization which competes with the Cooperative or regularly contracts with the Cooperative, EXCEPT when such membership, employment or financial interest is, in the judgment of a majority of the disinterested directors, so inconsiderable and incidental as not to pose a reasonable prospect of a conflict of interest (PROVIDED, however, that this determination shall be made by the Credentials and Election Committee if the person is a potential nominee or candidate for the director or if the disinterested directors request the Committee to rule); or
- (f) Is the incumbent of or candidate for an elective public office in connection with which a salary is paid for full time service; or
- (g) Has been convicted of a felony; or
- (h) Has failed to attend more than four (4) consecutive meetings of the board, except when such absence is excused by a vote of the board of directors for reasonable cause, or who has failed to attend, for any reason, twelve (12) consecutive meetings of the board, or who has been determined by the Credentials and Election Committee to be incapable of fulfilling the duties of

a director. Nothing herein, however, shall be construed to apply to Director Emeritus, as provided for in the Cooperative's policies.

Upon establishment of the fact that a director is holding office in violation of any of the foregoing provisions, the Board of Directors shall remove such director from office. Upon establishment of the fact that a nominee or candidate for director is in violation of any of the foregoing provisions, the Credentials and Election Committee shall remove such nominee or candidate from consideration.

When membership is held jointly by husband and wife, either one, but not both, may be elected a director; PROVIDED, however, that neither one shall be eligible to become or remain a nominee for director or a director of the Cooperative unless both shall meet the qualifications set forth above.

Nothing contained in this section shall affect the validity of any official action taken at any meeting of the Board of Directors, unless such action is taken with respect to a matter in which one or more of the directors have an interest adverse to that of the Cooperative.

Section 3.04 Nominations by Nominating Committee. It shall be the duty of the Board to appoint, not less than ninety (90) days nor more than one hundred twenty (120) days before the date of the meeting of the members at which Board members are to be elected, a Committee on nominations consisting of not less than three (3) nor more than six (6) members who shall be selected by the Board so as to give equitable representation to the geographical areas served by the Cooperative. No member of the Board shall be appointed to the Committee. It shall be the duty of the Nominating Committee to meet not less than sixty-five (65) days prior to such meeting and to nominate one or more candidates for the directorships that are to be filled at such meetings. Written notice of the names of the members of the Committee and the meeting date for the Committee shall be provided to the members prior to its meeting.

Section 3.05 Nominations by Petition. Other nominations for such elections may be made by written petition signed by not less than one hundred (100) members which shall be submitted to the Secretary of the Cooperative or his nominee not less than forty-five (45) days prior to such meeting.

Section 3.06 Notice of Nominees. The Secretary shall be responsible for posting at the headquarters of the Cooperative the nominees for the election made by the Nominating Committee and by petition and if feasible, shall include same in the notice to the members for the meeting at which the election is to be held.

Section 3.07 Nominations. Except in the event that all candidates nominated as provided in this Article are deceased or withdraw in writing from candidacy prior to the election, no other nominations shall be in order.

Section 3.08 Election. Directors shall be elected by a plurality vote of those members from the applicable voting district, or those authorized to vote for them pursuant to

Section 2.05 of these Bylaws, at the meeting in which the election is to be held. Should two or more candidates tie for the highest vote, then run-off ballots shall be taken among them.

Section 3.09 Vacancies. Vacancies occurring on the Board shall be filled by the affirmative vote of a majority of the remaining Board of Directors for the unexpired portion of the term.

Section 3.10 Failure of Compliance. Failure to comply with any of the provisions of this Article as to the election of directors, except bad faith or intentional failure to comply, shall not affect the validity of the election of any directors. In no event shall it invalidate the actions of all or any of the directors taken thereafter.

Section 3.11 Compensation. Directors as such shall not receive any salary for their services, but by resolution of the Board of Directors, a fixed sum paid on a per diem basis, and expenses associated therewith, may be allowed for attendance at each meeting of the Board of Directors and such other meetings at which attendance and compensation is specifically authorized by a special or continuing resolution of the Board of Directors.

Section 3.12 Policies, Rules and Regulations. The Board of Directors shall have power to make and adopt such policies, rules and regulations not inconsistent with the law or the Articles of Incorporation or Bylaws of the Cooperative as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

Section 3.13 Removal. A director may be removed from office with or without cause at any meeting of the membership with respect to which notice of such action has been given, pursuant to the requirements and procedures established by the Georgia Electric Membership Act.

ARTICLE IV Meetings of Directors

Section 4.01 Regular Meetings of Directors. A regular meeting of the Board of Directors shall also be held monthly or more often at such time and place as the Board of Directors may provide by resolution, provided that a copy of said resolution is delivered to any Board member who is absent from the meeting at which such resolution was adopted. Such regular meetings may be held without notice.

Section 4.02 Special Meetings. Special meetings of the Board of Directors may be called by the President or any two (2) directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place for the holding of any special meeting of the Board of Directors called by them, which shall, unless authorized by a majority of the entire Board of Directors, be in Toombs County, Georgia.

Section 4.03 Notice. Notice of the time, place and purpose of any special meeting of the Board of Directors shall be given by or at the direction of the President, the Secretary or the persons calling the meeting. The notice shall be given to each director at least five (5) days prior to the meeting by written notice delivered personally or mailed to each director at his last known address. If mailed, such notice shall be deemed delivered when deposited in the United States mail so addressed with first-class postage thereon, prepaid. Notice of a meeting of the Board of Directors need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except when a director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened, which objection shall be voiced at the commencement of the meeting.

Section 4.04 Quorum for Meeting of Directors. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. A majority of the directors present may adjourn the meeting to another time and place without further notice, whether or not a quorum is present.

Section 4.05 Action of Board of Directors. The vote of a majority of directors present and voting at the time of the vote, if a quorum is present at such time, shall be the act of the Board of Directors unless the vote of a greater number is required by law, the Articles of Incorporation or these Bylaws.

The members of the Board of Directors or any committee designated by such Board may participate in a meeting of such Board or committee by means of conference, telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting in this manner shall constitute presence in person at such meeting.

Section 4.06 Written Consent. Any action required to be taken at a meeting of the Board of Directors or any action that may be taken at a meeting of the Board of Directors may be taken without a meeting if a written consent setting forth the action so taken is so signed by all the directors and filed with the minutes of the proceedings of the Board of Directors.

ARTICLE V

Officers

Section 5.01 Number. The officers of the Cooperative shall be a President, Vice-President, Secretary and Treasurer. The Board may, at its discretion, create the office of and elect an Assistant-Secretary and an Assistant-Treasurer. The offices of Secretary and of Treasurer may be held by the same person and the offices of Assistant-Secretary and Assistant-Treasurer may be held by the same person.

Section 5.02 Election and Term of Office. The officers shall be elected annually by and, except for the offices of Assistant-Secretary and Assistant-Treasurer if created, from

the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the members. If created, the offices of Assistant-Secretary and Assistant-Treasurer may be either a director, employee or attorney of the Cooperative. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board of Directors following the next succeeding annual meeting of the members or until his successor shall have been duly elected and shall have qualified, subject to the provisions of these Bylaws with respect to the removal of officers.

Section 5.03 Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Cooperative will be served thereby.

Section 5.04 Vacancies. Except as otherwise provided in these Bylaws, a vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.05 President. The President, if present, shall preside at all the meetings of the Board of Directors and members unless waived by majority of those present and voting at such meeting, shall have general supervision, direction and control of the fundamental policies and affairs of the Cooperative and shall have the general powers and duties of management usually vested in the office of President of an electric membership cooperative and shall further have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws; provided, that certain duties and authorities normally exercised by the chief executive officer of the Cooperative may, upon resolution of the Board of Directors, be delegated through job descriptions or other written policies or procedures to the General Manager or other employee, officer or agent of the Cooperative.

Section 5.06 Vice-President(s). 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 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. The Board of Directors may also appoint an Executive Vice- President who shall hold office for such period and have such authority and perform such duties in the management of the property and affairs of the Cooperative as may be determined by resolution of the Board of Directors not inconsistent with these Bylaws.

Section 5.07 Secretary. The Secretary shall be responsible for:

- (a) Keeping the minutes of meetings of the members and the Board of Directors in one or more books provided for that purpose;
- (b) Seeing that all notices are duly given in accordance with these Bylaws or as required by law;

- (c) Safekeeping of the seal of the Cooperative and affixing the seal to all documents, the execution of which, on behalf of the Cooperative, under its seal, is duly authorized in accordance with the provisions of these Bylaws;
- (d) Keeping a register of the post office address of all members;
- (e) The general charge of the books of the Cooperative in which a record of the members is kept;
- (f) Keeping 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 furnishing a copy of the Bylaws and all amendments thereto to a member upon such member's request;
- (g) In general, performing all duties incident to the office of Secretary and such other duties as from time to time be assigned to him by the Board of Directors.

Section 5.08 Assistant-Secretary. Performing all duties and functions specified to be performed by the Secretary in Section 5.07 at the direction of the Board of Directors or upon the absence of the Secretary.

Section 5.09 Treasurer. The Treasurer shall be responsible for:

- (a) Custody of all funds and securities of the Cooperative;
- (b) The receipt and issuance of receipts for monies due and payable to the Cooperative from any source whatsoever and for deposit of all such monies in the name of the Cooperative in such depositories or investments as shall be selected in accordance with the provisions of these Bylaws;
- (c) In general, performances of 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 5.10 Assistant-Treasurer. Performing all duties and functions specified to be performed by the Treasurer in Section 5.09 at the direction of the Board of Directors or upon the absence of the Treasurer.

Section 5.11 General Manager. The Board of Directors may appoint a manager who may be, but shall not be required to be, a member of the Cooperative. The manager shall perform such duties as the Board of Directors may from time to time require of him and shall have such authority as the Board of Directors may from time to time vest in him.

ARTICLE VI

Non-Profit Operation

Section 6.01 Non-Profit Operation. The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons.

Section 6.02 Patronage Capital in Connection with Furnishing Electric Energy – Receipt. In the furnishing of electric energy the Cooperative’s operation shall be so conducted that all patrons will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to 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 cost and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons as capital. No interest or dividend shall be paid or be payable by the Cooperative on any capital furnished by its patrons.

Section 6.03 Patronage Capital – Accounts. 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. The Cooperative shall, within a reasonable time after the close of the fiscal year, notify each patron by notification to all patrons of the aggregate amount of such excess with an explanation of how each patron may compute and determine for himself the specific amount of capital so credited to him. Notwithstanding any other provision of these Bylaws to the contrary, the Board of Directors, at its discretion, may allocate capital credits for an individual member or class of members based upon rates, costs-of-service for that member or that class.

Section 6.04 Patronage Capital – Status of Such – Security Interest. All such amounts credited to the capital account of any patron shall be subject to the security interest provided for in Section 6.11, below, and 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 of capital.

Section 6.05 Other Patronage Capital – Allocation. 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 part of the capital credited to the accounts of the patrons as herein provided.

Section 6.06 Patronage Capital From Other Organizations. Notwithstanding any other provision of these Bylaws, the Board shall have the power to adopt rules providing for the separate accounting of and procedure for the retirement of such other amounts of capital credited to the accounts of patrons, which correspond to capital credited to the account of the Cooperative by other organizations in which the Cooperative is a member. Such rules shall, among other things:

- (a) Establish a method of determining portions of such capital credited to each of the Cooperative's patrons for each applicable fiscal year;
- (b) Provide for the separate identification thereof for each patron on the Cooperative's books;
- (c) Provide for appropriate notification thereof to patrons;
- (d) Preclude a general or special retirement thereof prior to actual receipt of such capital by the Cooperative.

Section 6.07 Patronage Capital – Dissolution. In the event of dissolution or liquidation of the cooperative, to the extent that sufficient assets are available:

- (a) All debts and liabilities of the Cooperative shall be paid; then
- (b) All capital furnished through patronage shall be retired; then
- (c) Any remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which aggregate patronage of each bears to the total patronage of all members during the period of the Cooperative's existence.

Section 6.08 Patronage Capital – Distribution Prior to Dissolution. 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. In no event, however, may such capital be retired unless, after the proposed retirement, the capital of the Cooperative shall equal at least forty percent (40%) of the assets of the Cooperative.

Section 6.09 Patronage Capital – Distribution to Estates or Representatives of Deceased Members. Notwithstanding any other provision of these Bylaws, the Board of Directors, at its discretion, shall have the power, upon the death of any natural patron, if the legal representatives 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 capital credited to any such patron immediately upon such terms and conditions as the Board of Directors, acting under policies of general application, and the legal representatives of such patron's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.

Section 6.10 Patronage Capital – Assignment. Capital credited to the account of each patron shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or part of such patron’s premises served by the Cooperative unless the Board of Directors acting under policies of general application shall determine otherwise.

Section 6.11 Patronage Capital – Cooperative’s Security Interest – Right to Set-Off. Notwithstanding any other provision of these Bylaws, all amounts credited to the capital account of any Member pursuant to this Article, and any other sums held by the Cooperative which are payable or may become payable to such Member, and all payments or other distributions thereof, shall be subject to a security interest in favor of the Cooperative to secure the payment of all debts of such Member to the Cooperative, whether for electrical service or otherwise. The total amount of such Member’s debts to the Cooperative shall be set off against such distributions at the time the distribution would become payable to such Member.

Section 6.12 Patronage Capital Contract with Member. 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.

ARTICLE VII Operations and Miscellaneous

Section 7.01 Bonds of Officers and Employees. The Board of Directors shall require the Treasurer and any other officer of the Cooperative charged with the responsibility for the custody of any of its property to be bonded in such sum and with such surety as the Board of Directors shall determine. The Board of Directors may, in its discretion, require any other officers, agent or employees of the Cooperative to be bonded in such amount and with such surety as the Board shall determine. All premiums and expenses associated with the acquisition and maintenance of the bonds for such officers, agents or employees shall be paid by the Cooperative.

Section 7.02 Reports. The Cooperative shall, within four (4) months of the close of the fiscal year, prepare 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. Such report shall be provided to any member requesting it.

Section 7.03 Fiscal Year. The fiscal year of the Cooperative shall be as established from time to time by the Board of Directors.

Section 7.04 Authority for Execution of Instruments. The Board of Directors, except as otherwise provided by these Bylaws or by law, may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Cooperative, and such authority may be general or confined to specific instances; and unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Cooperative by any contract or engagement, or to pledge its credit or to render it liable for any sum of money, or for any other purpose.

Section 7.05 Checks, Drafts, Etc. All checks, drafts or other order for the payment of money and all notes or other evidences of indebtedness issued in the name of the cooperative shall be signed by such officer or officers, agent or agents, or employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolutions of the Board of Directors.

Section 7.06 Bank Accounts and Deposits. All funds of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such banks, bankers, trust Companies or other depositories as the Board of Directors may select or as may be selected by any officer or officers, agent or agents of the Cooperative to whom such power may be delegated from time to time by the Board.

Section 7.07 Membership in Other Organizations. The Cooperative shall not become a member of or purchase stock in any other organization without an affirmative vote of the directors.

Section 7.08 Accounting Systems and Reports. The Board of Directors shall cause to be established and maintained accounting systems and other financial and management systems as would be established by ordinarily prudent persons under similar circumstances and like positions.

Section 7.09 Obligations of Cooperative for Service. The Cooperative will use its best efforts to furnish adequate and dependable electric service, although THE COOPERATIVE CANNOT AND THEREFORE DOES NOT GUARANTEE A CONTINUOUS AND UNINTERRUPTED SUPPLY OF ELECTRICITY.

Section 7.10 Circulation of Newsletter. For the purpose of disseminating information devoted to the science of agriculture, to agricultural cooperation and to productive means of exploiting electric energy, the Board of Directors shall be authorized to periodically circulate a newsletter to the members. The annual subscription therefore in the amount of One Dollar (\$1) or more shall be deducted from any funds accruing in favor of such members so as to reduce such funds in the same manner as with any other expense of the Cooperative.

ARTICLE VIII Indemnification and Insurance

Section 8.01 Indemnification. The Cooperative shall indemnify each person who is or was a director, officer, employee or agent of the Cooperative (including the heirs, executors, administrators or estate of such person) or is or was serving at the request of the Cooperative as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise to the full extent permitted under §§46-3-306(b) and (c) of the Georgia Electric Membership Corporation Act or any successor provisions of the laws of the State of Georgia. If any such indemnification is requested pursuant to §§46-3-306(b) or (c) of said Act or laws, the Board of Directors shall cause a determination to be made (unless a court has ordered the indemnification) in one of the manners prescribed in §46-3-306(e) of said Act or laws as to whether indemnification of the party requesting indemnification is proper in the circumstances because he has met the applicable standard of conduct set forth in §§46-3-306(b) or (c) of said Act or laws. Upon any determination that such indemnification is proper, the Cooperative shall make indemnification payments of liability, cost, payment or expense asserted against, or paid or incurred by, him, in his capacity as such a director, officer, employee or agent to the maximum extent permitted by said sections of said Act or laws. The indemnification obligation of the Cooperative set forth herein shall not be deemed exclusive of any other rights, in respect of indemnification or otherwise, to which any party may be entitled under any other Bylaw provision or resolution approved pursuant to §46-3-306(e) or said Act or laws.

Section 8.02 Insurance. The Cooperative may purchase and maintain insurance at its expense to protect itself and any director, officer, employee or agent of the Cooperative (including the heirs, executors, administrators or estate of any such person) against any liability, cost, payment or expense described in Section 8.01 of this Article VIII, whether or not the Corporation would have the power to indemnify such person against such liability.

ARTICLE IX

Property

Section 9.01 Disposition. The Cooperative may not sell any of its property other than:

- (a) Property which, in the judgment of the Board of Directors, neither is nor will be necessary or useful in operating and maintaining the Cooperative's system and facilities; provided, however, that all sales of such property shall not in any one year exceed in value ten percent (10%) of the value of all the property of the Cooperative;
- (b) Services of all kinds, including electric energy; and
- (c) Personal property acquired for resale; unless such sale is authorized at a meeting of members by the affirmative vote of at least two-thirds (2/3) of the members voting thereon at such meeting in person and that two-thirds (2/3)

must be a majority of the entire membership and the notice of such proposed sale shall have been contained in the notice of the meeting; or if all or substantially all of the property of the Cooperative is involved, such sale is authorized pursuant to the provisions of §34C-1102 of the Georgia Electric Membership Act.

Section 9.02 Security Interest. The Board of Directors, without any authorization by the members, at any regular meeting of the Board of Directors or any special meeting of which notice of the intent and purpose of the meeting is given in writing, shall have full power and authority to borrow money from the United States of America or any agency or instrumentality thereof or any national financing institution organized on a cooperative plan for the purpose of financing its members' programs, projects and undertakings in which the Cooperative is a member or from any other entity whatsoever and in connection with such borrowing from either one or more of such lenders, to authorize the making and issuance of bonds, notes or other evidences of indebtedness and to secure the payment thereof, to authorize the execution and delivery of a mortgage or mortgages, or deeds or deeds of trust, security deeds, financing statements and security instruments upon the pledging or encumbering of any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative whether acquired or to be acquired and wherever situated, all upon such terms and conditions as the Board of Directors of the Cooperative shall determine.

ARTICLE X Seal

The seal of the Cooperative shall be in such form as the Board of Directors may from time to time determine. In the event it is inconvenient to affix such a seal at any time, the words "Corporate Seal" or the word "Seal" accompanying the signature of an officer signing for and on behalf of the Cooperative shall be the seal of the Cooperative.

ARTICLE XI Amendments

These Bylaws may be amended at any meeting of the Board of Directors by the affirmative vote of not less than a majority of the directors present at a meeting at which a quorum is present, providing notice of such meeting containing a copy of the proposed amendment or a reasonable synopsis thereof shall have been given at least five (5) days prior thereto; provided, however, that the Board of Directors shall not have the power to alter, amend or repeal provisions of these Bylaws or adopt new Bylaw provisions directly relating to the election of the Board of Directors. Any Bylaw provision required to be adopted or amended by the members may be altered, amended, repealed or new provisions adopted by a two-thirds (2/3) majority of those members present and voting at a regular or special meeting of the members, providing notice of such meeting containing

a copy of the proposed amendment or a reasonable synopsis thereof shall have been given with the notice of such meeting.

Any Bylaw provision adopted by the Board of Directors may be altered, amended or repealed and the new provisions adopted by the members by the affirmative vote of not less than two-thirds (2/3) of the members present at a meeting at which a quorum is present, providing notice of such meeting containing a copy of the proposed amendment or a reasonable synopsis thereof shall have been given.

Exhibit “A”

AMENDMENT TO ARTICLES OF INCORPORATION
OF
ALTAMAHA ELECTRIC MEMBERSHIP CORPORATION

COMES NOW, ALTAMAHA ELECTRIC MEMBERSHIP CORPORATION, by and through its duly authorized officers of the Corporation and amends its Articles of Incorporation to read as follows:

The purpose of the Corporation is

- (a) To engage in any lawful act or activity permissible under any present or future federal, state or local law, statute, authorization, judgment, decree, or other rule of law applicable to electric membership corporations; and
- (b) To engage in any lawful act or activity necessary or convenient to effect any lawful purpose.