



BYLAWS

BYLAWS OF PLATEAU ELECTRIC COOPERATIVE

Revised at May 4, 2024 Annual Meeting

ARTICLE I MEMBERSHIP

SECTION 1.01. Eligibility. Any natural person, firm, association, corporation, cooperative, business trust, partnership, federal agency, state or political subdivision or agency thereof, or body politic (each hereinafter referred to as “person,” “applicant,” “him or her” or “his or her”) shall be eligible to become a member of, and, at one or more premises owned or directly occupied or used by him or her, to receive electric service from, Plateau Electric Cooperative (hereinafter called the “Cooperative”). No person shall hold more than one membership in the Cooperative and no member shall be entitled to cast a vote except by or through a person who is of legal voting age in the State of Tennessee.

SECTION 1.02. Application for Membership; Renewal of Prior Application. Application for membership— wherein the applicant shall agree to purchase electric power and energy from the Cooperative and to be bound by and to comply with the Rural Electric and Community Services Cooperative Act and all of the provisions of the Cooperative’s Articles of Incorporation and Bylaws, and all rules, regulations, rate classifications, and rate schedules established pursuant thereto, as all the same then exist or may thereafter be adopted or amended (the obligations embraced by such agreement being hereinafter called “membership obligations”) —shall be made in writing on such form as is provided therefor by the Cooperative. With respect to any particular classification of service for which the Board of Directors shall require it, such application shall be accompanied by a supplemental contract, executed by the applicant on such form as is provided therefor by the Cooperative. The membership application shall be accompanied by the membership fee provided for in Section 1.03 (together with any service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction that may be required by the Cooperative), which fee (and such service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction, if any) shall be refunded in the event the applicant is not approved. Any former member of the Cooperative may, by the sole act of paying a new membership fee and any outstanding account, (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 the Cooperative), renew and reactivate any prior application for membership to the same effect as though the application had been newly made on the date of such payment.

SECTION 1.03. Membership Fee; Service Security and Facilities Extension Deposits; Contribution in Aid of Construction. The membership fee shall be as fixed from time to time by the Board of Directors. The membership fee (together with any service security deposit, or 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 service connection. A service connection deposit or fee, in such amount as shall be prescribed by the Cooperative (together with a service security deposit, a facilities extension deposit or a contribution in aid of construction, if required by the Cooperative), shall be paid by the member for each additional service connection requested by him or her.

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

- (a) the presence at a meeting of either or both shall constitute the presence of one member and a joint waiver of notice of the meeting;
- the vote of either or both shall constitute, respectively, one joint vote;
- notice to, or waiver of notice signed by, either or both shall constitute, respectively, a joint notice or waiver of notice;
- suspension or termination in any manner of either shall constitute, respectively, suspension or termination of the joint membership;
- either, but not both concurrently, shall be eligible to serve as a Director of the Cooperative, but only if both meet the qualifications required therefor;
- and
- neither will be permitted to have any additional service connections except through their one joint membership.

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

SECTION 1.06. Purchase of Electric Power and Energy; 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 thereof; and each member, for so long as such premises are owned or directly occupied or used by him or her, shall purchase from the Cooperative all central station electric power and energy purchased for use on all premises to which electric service has been furnished by the Cooperative pursuant to his or her membership, unless and except to the extent that the Board of Directors may in writing waive such requirement, and shall pay therefor at the times, and in accordance with the rules, regulations, rate

classifications, and rate schedules (including any monthly minimum amount that may be charged without regard to the amount of electric power and energy actually used) established by the Board of Directors and, if in effect, in accordance with the provisions of any supplemental contract that may have been entered into as provided for in Section 1.02. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the Cooperative. Each member shall also pay all other amounts owed by him or her to the Cooperative as and when they become due and payable. When the member has more than one service connection from the Cooperative, any payment by him or her for service from the Cooperative shall be deemed to be allocated and credited on a pro rata basis to his or her outstanding accounts for all such service connections, notwithstanding that the Cooperative's actual accounting procedures do not reflect such allocation and proration.

SECTION 1.07. Contributions to Capital. All amounts paid for electric service in excess of the cost thereof shall be treated as member-furnished capital as provided in Article IX of the Bylaws.

SECTION 1.08. Wiring of Premises; Responsibility Therefor; 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 his or her membership 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, the National Electric Code, any applicable state code or local government ordinances, and of the Cooperative. If the foregoing specifications are variant, the more exacting standards shall prevail. 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 used thereon. Each member shall make available to the Cooperative a suitable site, as determined by the Cooperative, whereon to place the Cooperative's physical facilities for the furnishing and metering of electric service and shall permit the Cooperative's authorized employees, agents and independent contractors to have access thereto, safely and without interference from hostile dogs or any other hostile source, for meter reading and bill collecting and for 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 of such facilities and shall accordingly desist from interfering with, impairing the operation of or causing damage to such facilities, and shall use his or her best efforts to prevent others from so doing. Each member shall also provide such protective devices to his or her premises, apparatuses or meter base as the Cooperative shall from time to time require in order to protect the Cooperative's physical facilities and 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 extend beyond the point of delivery.

SECTION 1.09. Member to Grant Easements to Cooperative and to Participate in Required Cooperative Load Management Programs. Each member shall, upon being requested so to do by the Cooperative, execute and deliver to the Cooperative oral or written grants of easement or right-of-way over, on and under such lands owned or leased by or mortgaged to the member, and in accordance with such reasonable terms and conditions, as the Cooperative shall require for the furnishing of electric service to him or her or other members or for the construction, operation, maintenance or relocation of the Cooperative's electric facilities. Each member shall participate in any required program and comply with related rates and service rules and regulations, 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 his or her failure, after the expiration of the initial time limit prescribed either in a specific notice to him or her or in the Cooperative's generally publicized applicable rules and regulations, to pay any amounts due the Cooperative or to cease any other non-compliance with his or her membership obligations, a person's membership shall automatically be suspended; and he or she 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 or Director's election. Payment of all amounts due the Cooperative, including any additional charges required for such reinstatement, and/or cessation of any other noncompliance with his or her 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 and Director's elections.

SECTION 2.02. Termination by Expulsion; Renewed Membership. Upon failure of a suspended member to be automatically reinstated to membership, as provided in Section 2.01, he or she may, without further notice, but only after due hearing if such is requested by him or her, be expelled by resolution of the Board of Directors at any subsequently held regular or special meeting of the Board. After expulsion of a member, he or she may not again become a member except upon new application therefor duly approved as provided in Section 1.05; but the Board of Directors, acting upon principles of general application in such cases, may establish such additional terms and conditions for renewed membership as it determines to be reasonably necessary to assure the applicant's compliance with all his or her membership obligations.

SECTION 2.03. Termination by Withdrawal or Resignation. A member may withdraw from membership upon such generally applicable conditions as the Board of Directors shall prescribe and upon either (a) ceasing to own or directly occupy or use all premises being furnished electric service pursuant to his or her membership, or (b) except when

the Board of Directors specifically waives such condition, abandoning totally and permanently the use of central station electric service on such premises.

SECTION 2.04. Termination by Death or Cessation of Existence; Continuation of Membership in Remaining or New Partners. Except as provided in Section 2.06, the death of an individual natural person member shall automatically terminate his or her membership. The cessation of the legal existence of any other type of member shall automatically terminate such membership: PROVIDED, that upon the dissolution for any reason of a partnership, or upon the 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 to occupy or use the premises being furnished electric service pursuant to such membership in the same manner and to the same effect as though such membership had never been held by different partners: PROVIDED FURTHER, that neither a withdrawing partner nor his or her 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, he or she or his or her estate, as the case may be shall be entitled to refund of his or her membership fee (and to his or her service security deposit, if any, therefore paid to the Cooperative), less any amounts due the Cooperative; but neither he or she nor his or her estate, as the case may be, shall be released from any debts or other obligations then remaining due the Cooperative. Notwithstanding the suspension or expulsion of a member, as provided for in Section 2.01 and 2.02, such suspension or expulsion shall not, unless the Board of Directors shall expressly so elect, constitute such release of such person from his or her membership obligations as to entitle him or her to purchase from any other person any central station electric power and energy for use at the premises to which such service has theretofore been furnished by the Cooperative pursuant to such membership.

SECTION 2.06. Effect of Death, Legal Separation or Divorce upon a Joint Membership. Upon the death of either spouse of a joint membership, such membership shall continue to be held solely by the survivor, in the same manner and to the same effect as though such membership had never been joint: PROVIDED, that the estate of the deceased spouse shall not be released from any debts due the Cooperative. Upon the legal separation or divorce of the holders of a joint membership, such membership shall continue to be held solely by the one who continues directly to occupy or use the premises covered by such membership in the same manner and to the same effect as though such membership had never been joint: PROVIDED, that the other spouse shall not be released from any debts due the Cooperative.

SECTION 2.07. Board Acknowledgement of Membership Termination; Acceptance of Members Retroactively. Upon the termination of a person's membership for any reason, the Board of Directors, so soon as practicable after such termination is made known to it, shall by appropriate resolution formally acknowledge such termination, effective as of the date on which the Cooperative ceased furnishing electric service to such person. Upon discovery that the Cooperative has been furnishing electric service to any person other than a member, it shall cease furnishing such service unless such person applies for, and the Board of Directors approves, membership retroactively to the date on which such person first began receiving such service, in which event the Cooperative, to the extent practicable, shall

correct its membership and all related records accordingly: PROVIDED, that, should the Cooperative acquire any electric facilities dedicated or devoted to or for Cooperative purposes, it may for the purpose of continuing service and avoiding hardship continue to serve the customers served directly from such facilities at the time of such acquisition for such period of time as is determined reasonable by the Board of Directors in order to ensure that each customer served has adequate opportunity to apply for membership to the Cooperative.

ARTICLE III MEETINGS OF MEMBERS

SECTION 3.01. Annual Meeting. For the purposes of hearing and passing upon reports covering the previous fiscal year, and transacting such other business as may properly come before the meeting, the annual meeting of the members shall be held on the first Saturday of the month of May each year, at such place in Oneida, Scott County Tennessee or the general offices of the Cooperative in Scott County Tennessee, and beginning at such hour, as the Board of Directors shall from year to year fix; PROVIDED, that without the necessity of any action by the membership at the annual meeting and following the transaction of business as outlined in the agenda set forth in Section 3.06; the annual meeting shall be automatically adjourned until the third Saturday in May of each year at 9:00 a.m. as such place or places provided for in Section 4.03 for the sole purpose of conducting an annual election of Directors of the Cooperative as directed by Article IV of these bylaws. The provisions of this section shall be applicable notwithstanding that a quorum may be lacking at the annual meeting and the adjournment provided for herein shall be self-executing in any event; AND PROVIDED FURTHER, that for cause sufficient to it, the Board of Directors may fix a different date for such annual meeting and adjourned session not more than thirty (30) days prior or subsequent to the days otherwise established for such meetings in this Section. In any event, the same time interval shall be preserved between the annual meeting and the adjourned session. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for, and to encourage member attendance at, the annual meeting. Failure to hold the annual meeting at the designated time and place shall not work a forfeiture or dissolution of the Cooperative.

SECTION 3.02. Special Meetings. A special meeting of the members may be called by the Board of Directors, by the President, by any three Directors, or by petition signed by not less than ten (10%) percent of the members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided in Section 3.03. Such a meeting shall be held at such place designated in Section 3.01, on such date, not sooner than forty (40) days after the call for such meeting is made or a petition therefor is filed, and beginning at such hour as shall be designated by him or her or those calling or petitioning for the same.

SECTION 3.03. Notice of Member Meetings. Written or printed notice of the place, day and hour of the meeting and, in the case of a special meeting or of an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes of the meeting shall be delivered to each member not less than five (5) days nor more than twenty-five (25) days prior to the date of the meeting, by mail, by the Secretary (and, in the case of a special meeting, at the direction of him or her or those calling the meeting). Any such notice delivered by mail may be included with member service billings or as an integral part of the Cooperative's monthly newsletter or statewide publication. No matter, the carrying of which as provided by law requires the

affirmative votes 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. Such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his or her address as it appears on the records of the Cooperative, with postage thereon prepaid and postmarked not later than the minimally required days prior to the meeting date that notice must be given, as follows:

(1) except as otherwise provided in these Bylaws, not less than ninety (90) days prior to the date of a meeting of the members at which the Cooperative's dissolution or the sale or lease-sale of all or any substantial portion of its assets and properties devoted to and used or useful in furnishing electric service is scheduled to be considered and acted upon; or

(2) except as otherwise provided in these Bylaws, not less than forty-five (45) days prior to the date of a meeting of the members of the cooperative at which a merger or consolidation with one or more other cooperatives is scheduled to be considered and acted upon; or if subdivision (1) or (2) foregoing is not applicable, not less than five (5) nor more than twenty-five (25) days prior to the date of the meeting.

The incidental and non-incidental failure of any member to receive such notice shall not invalidate any action which may be taken by the members at any such meeting, and the attendance in person of a member at any meeting of the members shall constitute a waiver of notice of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business, or one or more items of business, on the ground that the meeting shall not have been lawfully called or convened. Any member attending any meeting for the purpose of making such objection shall notify the Secretary prior to or at the beginning of the meeting of his or her objection.

SECTION 3.04. Quorum. A quorum for the transaction of business at meetings of the members shall, except as provided in the next following sentence, be the lesser of two percent (2%) of all members or one hundred (100) members; and, once such a quorum is established, the meeting may proceed to transact all business that may lawfully come before it so long as at least the lesser of one percent (1%) of all members or fifty-one (51) members remain present. In the case of a meeting of the members at which the dissolution of the Cooperative or the sale or lease-sale of all or any substantial portion of its assets and property devoted to and used or useful in furnishing electric service is scheduled to be considered and acted upon pursuant, the quorum requirement shall be and shall remain through the meeting ten percent (10%) of all members. If, at any member meeting, less than the required quorum is present to enable the meeting to begin transacting business, or if the quorum requirement for it to continue ceases to exist, a majority of those present may adjourn the meeting from time to time without further notice; PROVIDED, if a majority of those present in person so resolve, the Secretary shall notify any absent members of the time, day and place of such adjourned meeting by delivering notice thereof as provided in Section 3.03. At all meetings of the members, whether a quorum be present or not, the Secretary shall annex to the meeting minutes, or incorporate therein by reference, a list of those members who were registered as present in person.

SECTION 3.05. Voting. Each member who is not in a status of suspension, as provided for in Section 2.01, shall be entitled to only one vote upon each matter submitted to a vote at any meeting of the members. Voting by members other than members who are natural persons shall be allowed upon the presentation to the Cooperative, prior to or upon registration at each member meeting, of satisfactory evidence entitling the person presenting the same to vote. At all meetings of the members, all questions shall be decided by a majority of the members voting thereon, except as otherwise provided by law or by the Cooperative's Articles of Incorporation or these Bylaws. Members may not cumulate their votes or vote by proxy or mail. No vote shall be cast, either in an individual or representative capacity, by a person who is not of legal voting age in the State of Tennessee.

SECTION 3.06. Order of Business. The order of business at the annual meeting of the members and, insofar as practicable or desirable, at all other meetings of the members shall be essentially as follows.:

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

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

ARTICLE IV DIRECTORS

SECTION 4.01. General Powers and Compensation. The business and affairs of the Cooperative shall be managed under the direction of a board of nine (9) directors. The Board shall exercise all of the powers of the Cooperative except such as are by law or by the Cooperative's Articles of Incorporation or Bylaws conferred upon or reserved to the members. Representation on the board shall be so apportioned that at all times three (3) directors shall be residents of Oneida; three (3) shall be residents of the remainder of Scott County; and three (3) shall be residents of Morgan County.

SECTION 4.02. Qualifications and Tenure. No person shall be eligible to become or remain a director of the Cooperative who is a close relative in a degree in kinship closer than third degree, as defined in Section 4.10 of these Bylaws, to an incumbent director or employee of the Cooperative or who is a current employee of the Cooperative or has been an employee at any time within the three (3) calendar years preceding the commencement date of the present annual meeting. Notwithstanding the foregoing provision pertaining to close relative relationships, no incumbent director shall lose eligibility to remain a director or to be re-elected to successive terms if said relationship was in existence prior to May 3, 1986; or if, during his or her incumbency as a director, he or she becomes a close relative of another incumbent director or of a Cooperative employee because of a marriage to which he or she was not a party. No person shall

be eligible to become or remain a director of the Cooperative who is not a member of the Cooperative and receiving service therefrom at his or her primary residential abode; or who is not at least eighteen (18) years of age or in any way employed by or financially interested in a competing enterprise, or a business selling electric energy.

In addition to the foregoing and in order to remain a member of the Board of Directors, from and after May 7, 2005, each newly elected non-incumbent director will be required to enroll in and attend at least three Continuing Education Courses per three year term, sponsored or presented by the NRECA, for the purpose of leading to Director Certification, and continue taking the required courses until Director Certification is achieved. Should any Director who is first elected after May 7, 2005 fail to take the required Continuing Education courses, as set forth above, he or she shall not be certified as a candidate to run for an additional term. Additionally, no person shall be eligible to become a director of the Cooperative who has not been a member of the Cooperative at his or her primary residential abode for a period of at least one (1) year. At the time of qualification, the person so nominated must maintain his or her primary residential abode within the boundaries of the particular geographic area which they seek to represent (i.e., Scott County outside of the Oneida corporate limits, Scott County inside of the Oneida corporate limits, and Morgan County inside the Cooperative's service territory). Notwithstanding the foregoing, if a director maintains his or her residency at the same location and yet becomes a resident outside of the geographic area which he or she currently represents due to an annexation action, then he or she shall be allowed to serve out the remainder of his or her current term, and shall become immediately eligible to qualify as a candidate in his or her new geographic area.

Upon establishment of the fact that a nominee for director lacks eligibility under this Section or as may be provided elsewhere in these Bylaws, it shall be the duty of the president to call a special meeting of the Board of Directors to consider and vote upon the disqualification of such nominee; PROVIDED, that said nominee shall be notified of said meeting and may be present and heard prior to the vote on his or her disqualification. Upon the establishment of the fact that any person being considered for, or already holding, a directorship or other position of trust in the Cooperative lacks eligibility under this Section, it shall be the duty of the Board of Directors to withhold such position from such person, or to cause him or her to be removed therefrom, as the case may be. 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 Directors, unless such action is taken with respect to a matter which is affected by the provisions of this Section and in which one or more of the directors have an interest adverse to that of the Cooperative.

Directors shall be so nominated and elected that one director from Oneida, one from the remainder of Scott County, and one from Morgan County shall be elected for three (3) year terms at each annual Directors' Election. At each annual election, directors shall be elected to succeed those directors whose terms shall have expired or until their successors shall have been elected and qualified, subject to the provisions of these bylaws with respect to the removal of directors.

SECTION 4.03. Nominations and Elections.The election of directors as prescribed by Article IV Section 4.01, hereof shall be conducted so that the directors to be chosen from Morgan County shall be voted upon and elected by members residing in Morgan County only; and in like manner, directors to be chosen from the Town of Oneida and Scott County shall be voted upon and elected by members residing in Scott County,

Tennessee, generally. The eligibility of a member to vote for a director from a given area shall be determined by a member's residence. A member may have only one residence, which shall be construed to mean that place which he or she lives and is domiciled within the meaning of the law.

The election as hereinbefore provided and as hereinafter provided shall be held on the third Saturday in May of each year and shall be conducted by secret ballot. A membership name may be placed upon the official ballot by a qualifying petition containing the names of a least ten (10) members in good standing of the Cooperative residing in the area from which the director is to be selected. Said petition shall be filed with the Secretary of the incumbent Board of Directors on or before 4:00 p.m. local time the fourth Friday in April of each year preceding the annual May election; PROVIDED, that should the Board of Directors fix a different date for the annual meeting and adjourned session (Directors' election), the deadline that the petition shall be filed shall likewise be adjusted, to an earlier or later date, the same number of days as the annual meeting date; AND PROVIDED FURTHER, should the deadline be so adjusted, it shall be publicized in all local newspapers in the Cooperative's service area at least fourteen (14) days prior to the new deadline. The petition shall be generally in the following form:

We, the undersigned members of Plateau Electric
Cooperative residing in _____
_____ nominate
_____ for election to the Board of Directors
from
_____.

The names of all persons who have qualified shall be included in or with the members' notice of annual meeting provided that said qualification is effected in sufficient time to permit the name or names to be included.

The election of directors shall be conducted in the following manner:

- (a) The election shall be held between the hours of 9:00 a.m. and 4:00 p.m. local time. If all candidates in either voting precincts are unopposed, the hours of the election at that precinct shall be 9:00 a.m. to 12:00 noon.
- (b) Voting precincts shall be established for Morgan County members at Plateau Electric Cooperative's branch office facilities in Wartburg, Tennessee and for Scott County members at the Cooperative's general office facilities in Scott County, Tennessee.
- (c) The Board of Directors shall select not less than five (5) members having residence in Scott County and not less than three (3) members having residence in Morgan County to hold the election in their respective counties none of whom shall be employees of the Cooperative. Of the five (5) selected for Scott County, three (3) shall be designated as judges. Three (3) of the members selected for Morgan County shall be designated as judges. A majority vote of the judges for each county shall determine the qualification to vote of a prospective voter in that county. In addition to the foregoing members, there shall be designated two Cooperative representatives, who may be employees, for each county. Their duties shall be to perform the clerical function necessary to maintain and make available the necessary Cooperative records to hold and facilitate the election. The remaining appointees shall perform the clerical functions as needed to assist the appointive Judge representatives in their duties.

- (d) The names of all parties appointed to hold an election shall be published in a newspaper of general circulation in the county in which they are to serve at least seven (7) days prior to the election.
- (e) A certified list of the eligible members and voters of the Cooperative shall be supplied to each county for those qualified in that county. Each member who is not in a status of suspension, as provided for in Section 2.01, shall be entitled to one ballot only at any Directors' election.
- (f) Upon a member presenting himself or herself to vote, the following procedure shall be observed:
 1. The voter shall be called upon for identification.
 2. The voter shall sign his or her name on a prenumbered listing. The number will then be entered by the election clerical personnel on the certified list to correspond to and indicate who voted the membership. (In the event a person entitled to vote cannot sign, the Mark shall be witnessed by two judges.)
 3. The voter shall be issued a ballot.
- (g) At the close of voting, the three judges from each county will set about counting the votes cast in their county and certify the results forthwith thereof to the Secretary of the Board of Directors. Said certified return shall be accompanied by the ballot box containing the official ballots, properly sealed, and with the seal bearing the signature of the three (3) judges heretofore referred to, and the secretary of the Board of Directors shall be charged with keeping and preserving said boxes unimpaired for the term of at least fifteen (15) days after the election.
- (h) The Secretary is directed to keep the ballot boxes under lock at the Office of the Cooperative in Oneida, Tennessee during said period.
- (i) Directors shall be elected by a plurality of the votes cast. Drawing by lots shall resolve any tie votes. The drawing of lots shall be conducted as follows: Two containers, or the number necessary to insure that each run-off candidate will have a container, will be prepared by the Cooperative's Manager, each containing the numbers one (1) through four (4) and six (6) through nine (9) written on small pieces of folded paper; just prior to the draw and in the presence of the run-off candidates, the manager will shake or otherwise mix the numbers whereupon the candidates will draw one (1) piece of paper from their container; the number drawn by the candidate closest to the number five (5) will be declared the winner; should the candidates draw a number that is equally close to the number five (5), either above or below, the draw will continue until a winner is declared; in the event there are more than two run-off candidates, the candidates who draw numbers equally close to the number five (5) will advance to the next draw and the candidate(s) who are eliminated in the first draw will be eliminated from further consideration for the director's seat on the board. Immediately following the declaring of a winner, all of the containers will be emptied in the presence of the candidates and the numbers contained therein inspected to insure that each container held the numbers one (1) through four (4) and six (6) through nine (9).
- (j) All officials of the election shall receive in payment for their services such sum as is set by the Board of Directors.

SECTION 4.04. Removal of Directors by Members. Any member may bring one or more charges against any one or more directors, alleging acts or omissions adversely affecting the business and affairs of the Cooperative and amounting to actionable negligence, malfeasance, misfeasance, nonfeasance, fraud or criminal conduct, and may request the removal of such director(s) by reason thereof by filing with the Secretary such charge(s) in writing together with a petition, signed by not less than ten

(10%) percent of the total membership of the Cooperative, which calls for a special member meeting thereon and specifies the place, time and date thereof not less than forty (40) nor more than forty-five (45) days after the filing of such petition, or which requests that the matter be acted upon at the subsequent annual member meeting if such meeting will be held no sooner than forty (40) nor more than ninety (90) days after the filing of such petition. Each page of the petition shall, in the forepart thereof, state the name(s) and address(es) of the member(s) filing such charge(s), a verbatim statement of such charge(s) and the name(s) of the director(s) against whom such charge(s) is (are) being made. The petition shall be signed by each member in the same name as he or she is billed by the Cooperative and shall state the signatory's address as the same appears on such billings. Notice of such charge(s) verbatim, of the director(s) against whom the charge(s) have been made and of the member(s) filing the charge(s) shall be contained in the notice of the meeting or separately noticed to the members not less than five (5) days prior to the member meeting at which the matter will be acted upon; PROVIDED, the notice shall set forth (by random selection but otherwise in alphabetical order) only twenty (20) of the names and addresses of the charging members if twenty (20) or more members file the same charge(s) against the same director(s). Such director(s) shall be informed in writing of the charges after they have been validly filed and at least twenty-five (25) days prior to the meeting of the members at which the charge(s) are to be considered, shall have an opportunity at the meeting to be heard in person, by witnesses, by counsel or any combination of such, and to present evidence in respect of the charge(s), and shall be heard last; and the person(s) bringing the charge(s) shall have the same opportunity, but shall be heard first. The question of the removal of such director(s) shall, separately for each if more than one has been charged, be considered and voted upon at such meeting, and any vacancy created by such removal shall be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nomination, except that nominations shall be made from the floor; PROVIDED, the question of the removal of a director shall not be voted upon at all unless some evidence in support of the charge(s) against him or her shall have been presented during the meeting through oral statements, documents, or otherwise; AND PROVIDED FURTHER, no director shall be so removable from office for the reason that he or she, in good faith and believing such to be in the best interests of the Cooperative and of its present and future members, failed or declined to support, or that he or she opposed, (1) a proposal to sell or lease-sell all or a substantial portion of the Cooperative's assets and properties or to dissolve the Cooperative, or (2) a motion to notify the Cooperative's members of a proposal received by the Cooperative for such a sale, lease-sale or dissolution, or (3) a motion or any other effort to call a meeting of the Cooperative's members to consider and act upon a proposal for such a sale, lease-sale or dissolution. A newly elected director shall be from or with respect to the same represented area as was the director whose office he or she succeeds and shall serve out the unexpired portion of the removed director's term.

SECTION 4.05. Vacancies. Subject to the provisions of these Bylaws with respect to the filling of vacancies caused by the removal of directors by the members, a vacancy occurring in the Board of Directors shall be filled by a majority vote of the remaining Board of Directors. A director thus elected shall serve out the unexpired term of the director whose office was originally vacated and until a successor is elected and

qualified: PROVIDED, that such a director shall be from or with respect to the same area as was the director whose office was vacated.

SECTION 4.06. Compensation; Expenses. For their attendance at meetings of the Board of Directors, directors shall, on a per diem basis, receive such fee as is fixed by resolution of the Board of Directors. Directors may also receive, on a per diem basis, the same or a different fixed fee for their duly authorized attendance at other-type meetings or other performance of other director duties. Directors shall receive advancement or reimbursement of any travel and out-of-pocket expenses actually, necessarily and reasonably incurred in performing their duties. No director shall receive compensation for serving the Cooperative in any other capacity unless the payment and amount of such compensation shall be specifically authorized by a vote of the members or such payment and amount shall be specifically authorized by the Board of Directors upon their certification of such as an emergency measure.

SECTION 4.07. Rules, Regulations, Rate Schedules and Contracts. The Board of Directors shall have power to make, adopt, amend, abolish and promulgate such rules, regulations, rate schedules, rate classifications, contracts, security deposits and any other types of deposits, payments or charges, including contributions in aid of construction, not inconsistent with law or the Cooperative's Articles of Incorporation or Bylaws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

SECTION 4.08. Accounting System and Reports. The board of Directors shall cause to be established and maintained a complete accounting system of the Cooperative's financial operations and condition, and shall, after the close of each fiscal year, cause to be made a full, complete and independent audit of the Cooperative's accounts, books and records reflecting financial operations during, and financial condition as of the end of, such year. A 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 by independent auditor or Board committee special audits or reviews, complete or partial, at any time and for any specified period of time.

SECTION 4.09. 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 Directors shall be empowered, on behalf of and for circulation to the members periodically, to subscribe to the Cooperative's newsletter, "Plateau Electric News," or any similar or successor such publication, the annual subscription price for which shall be not less than \$.60 and which shall be deducted from any funds accruing in favor of such members, so as to reduce such funds in the same manner as would any other expense of the Cooperative.

SECTION 4.10. "Close Relative" Defined. As used in these Bylaws, "close relative" means a person who, by blood or in law, including step, half, and adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew, niece, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law or daughter-in-law of the principal.

ARTICLE V MEETINGS OF DIRECTORS

SECTION 5.01. Regular Meetings. A regular meeting of the Board of Directors shall be held without notice other than these bylaws, on the first Monday following the election of directors as heretofore provided. At such meeting the Secretary of the incumbent

Board of Directors shall canvass the results of the preceding election and certify to the President of the Cooperative the results thereof. Following said certification the newly elected members of the Board of Directors shall be installed and the meeting shall proceed in the usual manner. A regular meeting of the Board of Directors shall also be held monthly at the main office of the Cooperative in Oneida, Scott County, Tennessee, at such time as the Board of Directors may provide by resolution. Such regular monthly meetings may be held without notice to the members other than such resolution fixing the time thereof; PROVIDED, if a policy therefor is established by the Board, the President may change the date and/or time of a regular monthly meeting for good cause and upon at least three (3) days notice thereof to all directors.

SECTION 5.02. Special Meetings. Special meetings of the Board of Directors may be called by Board resolution, by the President, or by any three (3) directors, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided in Section 5.03. The Board, the President, or the directors calling the meeting shall fix the date, time and place for the meeting, which shall be held in Scott County, Tennessee, unless all directors consent to its being held in some other place in Tennessee or elsewhere. Special meetings may also be held via telephone conference call, without regard to the actual location of the directors at the time of such a telephone conference meeting, if all the directors consent thereto.

SECTION 5.03. Notice of Directors Meetings. Written notice of the date, time, place and purpose or purposes of any special meeting of the Board and, when the business to be transacted thereat shall require such, of any regular meeting of the Board shall be delivered to each director not less than three (3) days prior thereto, either personally or by mail, by or at the direction of the Secretary or, upon a default in this duty by the Secretary, by him or her or those calling it in the case of a special meeting or by any director in the case of a meeting whose date, time and place have already been fixed by Board resolution. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the director at his or her address as it appears on the records of the Cooperative, with first class postage thereon prepaid, and postmarked at least three (3) days prior to the meeting date. The attendance of a director at any meeting of the Board shall constitute a waiver of notice of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business, or of one or more items of business, on the ground that the meeting shall not have been lawfully called or convened.

SECTION 5.04. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors and the affirmative votes of a majority of the quorum shall be required for any action to be taken; PROVIDED, a director who has a conflict of interest in a matter to be considered shall not, with respect to that matter, be counted in determining the number of directors in office or present; AND PROVIDED FURTHER, if less than a quorum be present at a meeting, a majority of the directors present may adjourn the meeting from time to time, but shall cause the absent directors to be duly and timely notified of the day, time and place of such adjourned meeting.

ARTICLE VI OFFICERS; MISCELLANEOUS

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

SECTION 6.02. Election and Term of Office. The four officers named in Section 6.01 shall be elected by ballot, annually, by and from the Board of Directors at the first meeting of the Board held after each annual election of the directors. If the election of such officers shall not be held at such meeting, it shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the meeting of the Board first held after the next succeeding Directors' Election or until his or her successor shall have been duly elected and shall have qualified, subject to the provisions of the Bylaws with respect to the removal of directors and to the removal of officers by the Board of Directors. Any other officers may be elected by the Board from among such persons, and with such title, tenure, responsibilities and authorities, as the Board of Directors may from time to time deem advisable.

SECTION 6.03. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board whenever in its judgement the best interests of the Cooperative will thereby be served.

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

SECTION 6.05. President. The President shall—

(a) be the principal executive officer of the Cooperative and shall preside at all meetings of the Board of Directors, and, unless determined otherwise by the

Board of Directors, at all meetings of the members;

(b) sign, with the Secretary, certificates of membership the issue of which shall have been authorized by resolution of the Board of Directors, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and

(c) in general, perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. SECTION 6.06.

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

SECTION 6.07. Secretary. The Secretary shall—

(a) keep, or cause to be kept, the minutes of meetings of the members and of the Board of Directors in one or more books provided for that purpose;

(b) see that all notices are duly given in accordance with these Bylaws or as required by law;

(c) be custodian of the corporate records and of the seal of the Cooperative and see that the seal of the Cooperative is affixed to all certificates of membership prior to the issue thereof and to all documents the execution of which, on behalf of the Cooperative

under its seal, is duly authorized in

accordance with the provisions of these Bylaws or is required by law;

(d) keep, or cause to be kept, a register of the name and

post office address of each member, which address shall be furnished to the Cooperative by such member;

- (e) sign, with the President, certificates of membership the issue of which shall have been authorized by resolution of the Board of Directors;
- (f) have general charge of the books of the Cooperative in which a record of the members is kept;
- (g) keep on file at all times a complete copy of the Cooperative's Articles of Incorporation and Bylaws, together with all amendments thereto, which copies shall always be open to the inspection of any member, and, at the expense of the Cooperative, furnish a copy of such documents and of all amendments thereto upon request to any member;
- (h) in general, perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him or her by the Board of Directors.

SECTION 6.08. Treasurer. The Treasurer shall—

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

SECTION 6.09. Delegation of Secretary's and

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

SECTION 6.10. General Manager. The Board of Directors may appoint a General Manager, who may be, but who shall not be required to be, a member of the Cooperative; but who shall become a member and shall reside in the Cooperative's service area within a reasonable length of time as determined by the Board of Directors. The general manager shall have general oversight, care and management of the property and business of the Cooperative and shall perform such additional duties and have such additional authority as the Board of Directors may from time to time require of or vest in him or her, PROVIDED, HOWEVER, that the general manager shall always be subject to the direction and management of the Board of Directors through action taken at regular or special meetings of such board.

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

SECTION 6.12. Compensation; Indemnification. The compensation, if any, of any officer or agent who is also a director, shall be determined by the members, and the

powers, duties and compensation of any other officers, agents and employees shall be fixed by the Board of Directors. The Cooperative shall indemnify present and former Cooperative directors, officers (including the General Manager), agents and employees against liability and costs of defending against liability, and shall purchase insurance in reasonable face amounts to cover such indemnification to the fullest extent such insurance is available, to the fullest extent permissible by law, including Sections 48-58-301 through 48-58-601 (Section 304 excluded) of the Tennessee Nonprofit Corporation Act, as the same may from time to time be amended.

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 Directors may authorize any Cooperative officer, agent or employee to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

SECTION 7.02. Checks, Drafts, etc. All checks, drafts or 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 and in such manner as shall from time to time be determined by resolution of the Board of Directors.

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

ARTICLE VIII MEMBERSHIP CERTIFICATES

SECTION 8.01. Certificate of Membership. Membership in the Cooperative may, if the Board so resolves, be evidenced by a certificate of membership, which shall be in such form and shall contain such provisions as shall be determined by the Board of Directors not contrary to, or inconsistent with, the Cooperative's Articles of Incorporation or its Bylaws. Such certificate, if authorized to be issued by the Board, shall be signed by the President and by the Secretary, and the seal shall be affixed thereto: PROVIDED, the seal and the signatures of the President and the 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 fixed by the Board of Directors nor until such membership fee, any required service security deposits, facilities extension deposits, service connection fees, or contributions in aid of construction have been fully paid.

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

ARTICLE IX NON-PROFIT OPERATION

SECTION 9.01. Interest or Dividends on Capital Prohibited. The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its

patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

SECTION 9.02. Disposition of Revenues; Distribution of Excess. With respect to the Cooperative's furnishing of electric service, the revenues therefrom for any fiscal year, in excess of the amount thereof necessary:

- (1) to defray expenses of the Cooperative, including the operation and maintenance of its facilities during such fiscal year;
- (2) to pay interest and principal obligations of the Cooperative coming due in such fiscal year;
- (3) to finance, or to provide a reserve to finance, the construction or acquisition by the Cooperative of additional facilities to the extent determined by the Board;
- (4) to provide a reasonable reserve for working capital;
- (5) to provide a reserve for the payment of indebtedness of the Cooperative maturing more than one year after the date of the incurrence of such indebtedness in an amount not less than the total of the interest and principal payments in respect thereof required to be made during the next following fiscal year;
- (6) to comply with any covenant or obligation of the Cooperative pursuant to any contract it has entered into; and
- (7) to provide a fund for education in cooperation and for the dissemination of information concerning the effective use and conservation of electric power and energy and concerning any other services made available by the Cooperative, including, if the Board so authorizes, publication of or subscription to a Cooperative newsletter and/or a statewide or regional publication.

shall be distributed or credited by the Cooperative to patrons:

- (a) as patronage refunds prorated in accordance with the patronage of the Cooperative by the respective patrons paid for during or with respect to such fiscal year; or
- (b) by way of general reductions of rates or other charges; or
- (c) by any combination of such methods.

SECTION 9.03. Use of Contributed Capital. The primary purpose of the Cooperative is to furnish its patrons with electric service at the lowest rates and charges consistent with prudent management and sound economy. Therefore, all amounts received and receivable from the furnishing of electric energy to patrons, members and nonmembers alike, in excess of operating costs and expenses properly chargeable thereto are at the moment of receipt by the Cooperative received with the understanding that they are furnished by the patrons as capital. Capital contributed by the patrons shall be used only for capital purposes, including, without limitation, new electric system construction, the retirement of electric system indebtedness at or prior to maturity, and working capital adequate for all purposes, and for facilitation of general rate reductions.

SECTION 9.04. Ascertainment of Contributed Capital. The Cooperative shall maintain such books and records as will enable it at any time, upon reasonable notice, to compute the amount of capital contributed during any given accounting period by each of its patrons.

SECTION 9.05. Contract. The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the provisions of this Article of the Bylaws shall constitute and be a contract between the Cooperative and non-member patrons, and both the Cooperative and such 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 such patrons by being posted in a conspicuous place in the Cooperative's offices.

SECTION 9.06. Patronage Refunds in Connection with Furnishing Other Services or Goods. In the event that the Cooperative should engage in the business of furnishing services or goods other than electric power energy, all amounts received and receivable therefrom which are in excess of costs and expenses properly chargeable thereto shall, insofar as permitted by law, be prorated annually on a patronage basis and, subject to their prior use for any proper purposes, be returned to those patrons from whom such amounts were obtained pursuant to such method, at such time, on such basis and in such order of priority as the Board of Directors shall determine.

ARTICLE X WAIVER OF NOTICE

Any member or Director 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 AND PLEDGING OF PROPERTY; DISTRIBUTION OF SURPLUS ASSETS ON DISSOLUTION

SECTION 11.01. Disposition and Pledging of Property. The Cooperative may authorize the sale, lease, leasesale, disposition, pledging, mortgaging or encumbrancing of all, a substantial portion or any part of its assets and properties as provided by law, including Sections 65-25-213 and 214 of the Tennessee Code Annotated, as the same may from time to time be amended.

SECTION 11.02. Distribution of Surplus Assets on Voluntary Dissolution. Upon the Cooperative's voluntary dissolution, any assets remaining after all liabilities or obligations of the Cooperative have been satisfied and discharged, or adequate provision therefor has been made, shall be distributed as provided for in Section 65-25-120(b)(2) of the Tennessee Code Annotated, as the same may from time to time be amended.

ARTICLE XII FISCAL YEAR

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

ARTICLE XIII RULES OF ORDER

Parliamentary procedure at all meetings of the members, of the Board of Directors, of any committee provided for in these Bylaws and of any other committee of the members or Board of Directors which may from time to time be duly established shall be governed by the rules adopted by the Board of Directors, except to the extent such procedure is otherwise determined by law or by the Cooperative's Articles of Incorporation or Bylaws. This Article shall be subordinate to any other provision of these Bylaws pertaining to the votes required for action by members, directors or committees.

ARTICLE XIV SEAL

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

ARTICLE XV AMENDMENTS

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 meeting of the members. A bylaw may be changed only if (1) a copy or an accurate summary explanation of the proposed change is contained in or with the notice of the member meeting at which it is to be acted upon; and (2) it is sponsored by the Board of Directors or at least fifty (50) members who over their signatures file with the Cooperative a petition, proposing such change and setting forth with particularity the wording thereof and the time that the change is to become effective, at least forty-five (45) days prior to the date of the member meeting at which such change is proposed to be acted upon; PROVIDED, if the Cooperative is presented with a written request by one or more but less than fifty (50) members that a bylaw change be noticed to and acted upon by the members, and if the request sets forth with particularity the wording of the proposed change and the time that the change is to become effective, the Board of Directors may, but shall not be obligated to, waive the foregoing petition requirement and cause such proposed change to be noticed and acted upon; PROVIDED FURTHER, the Board of Directors shall not cause any proposed bylaw change to be noticed or acted upon, or permit any amendment to a proposed bylaw change to be acted upon, if it determines that such, if adopted, would be illegal or a legal nullity.