

TOMBIGBEE ELECTRIC POWER ASSOCIATION

BY-LAWS

(Last Amended)

6/12/2012

ARTICLE 1 MEMBERSHIP

Section 1. Requirements for Membership: Any living person, or existing firm, entity, association, corporation, or body politic or subdivision thereof will become a member of Tombigbee Electric Power Association (hereinafter called the "Cooperative") upon receipt of electric service from the Cooperative, provided that he or it has first:

- (a) Reached at least the age of majority and/or otherwise lawfully has the requisite power to enter into binding contracts in the State of Mississippi;
- (b) Made a written application for membership in the Cooperative;
- (b) Agreed to purchase from the Cooperative electric energy, or any other lawful products or services, as hereinafter specified or otherwise as may be allowed by law, upon the terms, conditions and rates as may be set from time to time by the Cooperative;
- (c) Agreed to accept the responsibilities of membership and to participate in and benefit from the cooperative principles upon which the Cooperative is based;
- (d) Agreed to comply with and be bound by the Articles of Incorporation and these Bylaws of the Cooperative and any rules, policies, guidelines and regulations as may be adopted from time to time by the Board of Directors of the Cooperative (hereinafter the "Board");
- (e) Provided sufficient documentation necessary such that it might be determined to the satisfaction of the Cooperative that he/she or it has an interest in, rights to, or necessary permission relating to any real property, including without limitation any leasehold or other interests therein, for which electric service is being sought; and
- (e) Paid the membership fee hereinafter specified.

Section 2. Membership Certificates: Membership in the Cooperative shall be evidenced a membership certificate which shall be in such form and shall contain such provisions as shall be determined by the Board. A membership certificate will be issued upon payment of the initial membership fee and will represent that part of the membership payments that are refundable. No other part of the membership payment will be refunded. Such certificate shall be signed or caused to be signed by the President and by the Secretary of the cooperative and the corporate seal shall be affixed thereto. In case a certificate is lost, destroyed or mutilated a new certificate may be issued therefore upon such uniform terms and indemnity to the Cooperative as the Board may prescribe.

Section 3. Joint Membership: A husband and wife shall, for all purposes, be considered to be and shall constitute one member of the Cooperative, and such joint membership shall be subject to their joint compliance with the requirements set forth in Section 1 of this article, whether or not applied for in one or both of their names. 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 such joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
- (b) The vote of either separately or both jointly shall constitute **only** one vote;
- (c) A waiver of notice signed by either or both shall constitute a joint waiver;
- (d) Notice to either shall constitute notice to both;
- (e) Expulsion of either shall terminate the joint membership;
- (f) Withdrawal of either shall terminate the joint membership;
- (g) Either, but not both, may have a voice, including any right to nominate or sign a petition, at any meeting of the Cooperative, subject to the same rules, regulations and guidelines as any other member of the Cooperative;
- (h) Either, but not both, may be elected or appointed as an officer or Board member, provided that both meet the qualifications for such office.

Section 4. Conversion of Membership:

- (a) A membership may be converted from a joint membership upon the written request of the holders thereof and the agreement by such holder and his or her spouse to comply with the articles of incorporation, bylaws and rules and regulations adopted by the Board. The outstanding membership certificate shall be surrendered and shall be re-issued by the Cooperative in such manner as shall indicate the changed membership status.
- (b) Upon the death of either spouse who is a party to the joint membership, such membership shall be held thereafter solely by the survivor. The outstanding membership certificate shall be surrendered, and shall be re-issued in such manner as shall indicate the changed membership status, provided, however, that the estate of the deceased shall in no event be released from any debts due the Cooperative.
- (c) Upon the granting of a divorce of the husband and wife, effectively ending said joint membership, the party retaining the property which is served by said membership may inform the Cooperative that said joint membership should be terminated and seek individual membership thereafter. The outstanding membership certificate shall be surrendered and shall be re-issued in such manner as shall indicate the changed membership status, provided, however, that said divorce shall in no event release either Husband or Wife from any debts then due the Cooperative. The Cooperative may refuse

to re-issue a new membership until such time as the account of the joint membership has been fully satisfied and paid.

Section 5. Membership fees: The membership fee shall be \$10.00, which shall be required to be paid before a member is eligible for one service connection which shall be made upon application for membership and service. There shall be deposited with the Cooperative an additional sum by way of security for the payment of electric bills and which will be refunded along with the membership fee kept on application at the end of service from the Cooperative upon payment of final bill.

Amortization shall no longer be paid, and the amount heretofore paid to the Cooperative by way of amortization shall be credited to the member; and the money paid to the Cooperative by way of amortization above said \$10.00 membership fee shall be considered as money furnished to the Cooperative for the construction, maintenance and other necessary expenditures for the continued operation of the system and to enable the member to take advantage of the joint investment of funds for the common use of the members and are not to be withdrawn as long as the Cooperative continues in business and the member shall have the right to recover his or its interest in such funds only upon dissolution and liquidation of the Cooperative.

Section 6. Purchase of Electric Energy: Each member shall, as soon as electric energy shall be purchased from the Cooperative, be liable for, or in the case of joint membership, jointly and severally liable for, all charges relating to electric energy used on the premises specified in his or its application for membership and shall pay therefore at rates which shall from time to time be fixed by the Board.

Section 7. Termination of Membership:

(a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board may prescribe. The Board may, by the affirmative vote of not less than two-thirds of all the members of the Board, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, Bylaws or rules, guidelines or regulations adopted by the Board, but only if such member shall have been given written notice by the Cooperative that such failure makes him or it liable to expulsion, and such failure shall have continued for at least ten (10) days after such notice was given. Any expelled member may be reinstated by affirmative vote of the Board or by vote of the members at any annual or special meeting. The membership of a member who for a period of six (6) months after service is available to him, has not purchased electric energy from the Cooperative, or a member who has ceased to purchase energy from the Cooperative, may be cancelled by resolution of the Board.

(b) Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership certificate shall be surrendered forthwith to the Cooperative or legitimately transferred to an eligible member of the Cooperative, subject to the then-existing criteria and/or rules for membership. If a member, otherwise wishes to transfer their membership and deposit (if applicable) to another party, **both** parties will be required to

sign a document acknowledging the release and assumption of all rights and responsibilities associated with the membership, including any bills that may be owed at the time of transfer and including any future bills, in addition to meeting all requirements for membership then in effect. Following the death of a member a family member or the estate of said member may request the membership be transferred to it or them, rather than surrendered, and such transfer may be allowed only upon the execution and delivery of valid documentation accepting all rights and responsibilities of membership and acknowledging the assumption of financial responsibilities relating to said membership, including any bills that may be owed at the time of the transfer and any future bills.

(c) The funds paid in to the Cooperative by way of amortization for the purchase of a membership shall be considered as money furnished to the Cooperative for construction, maintenance and other necessary expenditures for the continued operation of the system and to enable the member to take advantage of the joint investment of funds for the common use of the members and are not to be withdrawn except as set out in Article 1 Section 2 as long as the Cooperative continues in business and the member shall have the right to recover his or its interest in such fund only upon dissolution and liquidation of the Cooperative.

ARTICLE II RIGHTS AND LIABILITIES OF MEMBERS

Section 1. Property Interests of Members: Upon dissolution, after

- (a) All debts and liabilities of the Cooperative shall have been paid, and
- (b) All capital furnished through patronage shall have been retired as provided in these Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members during the ten (10) years next preceding the date of the filing of the certificate of dissolution.

Section 2. Non-liability for Debts of the Cooperative: The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative, and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meeting: The annual meeting of the members shall be held the first Saturday after the first Monday in August at the main office of the Cooperative, for the purpose of nominating Directors who shall be members of the Board, passing upon reports for the previous fiscal year and transacting such other business as may be on the approved agenda for the annual meeting. Subject to the limitations of Article VIII below, any qualified member may, by notification to the Board in writing at least thirty (30) days prior to the date of the annual meeting, have any item of business he or it desires placed on the agenda for the meeting. Only the business that is on the approved agenda will be considered at the annual meeting. It shall be the responsibility of

the Board to make adequate plans and preparations for the annual meeting. The Board may set reasonable procedural rules and time limits on any member seeking the floor at the annual meeting, or any other meeting of the Cooperative. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

Section 2. Special Meetings: Special meetings of the members may be called by resolution of the Board (or upon a written request signed by any eight (8) Board members) by the President, or by ten per centum (10%) or more of all members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within one of the counties served by the Cooperative as designated by the Board and shall be specified in the notice of the special meeting.

Section 3. Notice of Special Members' Meetings: Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than twenty-five (25) days before the day of the meeting, either personally or by mail, and/or by advertising in the newspapers in the primary counties served, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting, to each number. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon pre-paid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

Section 4. Quorum: Subject to the limitations of Article VIII below, twenty-five (25) members present in person shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting room time to time without further notice. The minutes of each meeting shall contain a list of the members present in person.

Section 5. Voting: Each member shall be entitled to only one vote upon each matter submitted to a vote at any meeting of the members. Members holding multiple meters in the same name shall only be entitled to one vote upon any matter for which any member is entitled to vote. A member having a residence and a business in his name shall be entitled to one vote for the residence and one vote for the business, and no more, regardless of the number of meters said business or member shall hold. A corporation, limited liability company, political subdivision or any other entity of any kind, shall be entitled to one vote for its membership interest regardless of the number of meters held, and said vote shall be accomplished through proper corporate action by designated officers of such member. The Cooperative shall be entitled to rely upon any such vote received on behalf of such corporate member, whether or not the same actually be duly authorized, and the Cooperative shall in no event be charged with confirming said corporate action is, in fact, authorized. However, in the event of a dispute, the Cooperative may determine, in its sole discretion, which officer or persons are to be deemed properly authorized. Consistent with Article I Section 3, joint members shall only be allowed one vote. Subject to the limitations of Article VIII below, all questions at any duly called meeting of the members shall be decided by a vote of a majority of the members.

ARTICLE IV BOARD MEMBERS

Section 1. General Powers: The business and affairs of the Cooperative shall be managed by a Board of fifteen (15) members which shall exercise all of the powers of the Cooperative except such as are by law, the Articles of Incorporation or these Bylaws conferred upon or reserved to the members.

Section 2. Tenure of Office: The persons presently serving as Board members shall compose the Board until their successors shall have been elected and shall have qualified. Members of the Board shall be elected by secret mail ballot following each annual meeting of the members to serve for a three year term. The terms of office shall rotate as provided for in Sec. 5469 Miss. Law (now Miss. Code Ann. § 77-5-221) and will begin on the second Thursday in September after the election shall have been held or until their successors shall have been elected and shall have qualified. If nomination of Board members shall not be made on the day designated herein for the annual meeting, or at any adjournment thereof, a special meeting of the members shall be held for the purpose of nominating Board members within a reasonable time thereafter.

Section 3. Qualification: In order to be eligible to become or remain a member of the Board of Directors of the Cooperative, a person:

- (a) Must be an individual, of the age of majority, with the capacity to enter into legally binding contracts in the State of Mississippi;
- (b) Must be a duly qualified member of the Cooperative;
- (c) Must be a bona fide resident in the area served or to be served by the Cooperative;
- (d) Must neither themselves nor their spouse be presently or have been previously employed by the Cooperative for a period of at least five (5) years prior to their nomination; and
- (e) Must not be in any way employed by or financially interested in a competing enterprise or business, which shall include any other utility or business selling or distributing any product or energy resource such as the sale of electric energy, natural or butane gas or other alternative energy sources; or any enterprise or business which supplies the Cooperative with significant electrical energy supplies, apparatus or components of the Cooperative's electrical transmission system, such as wiring, transformers, poles, metering products, or similar items, or any business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to the members of the Cooperative.

Upon establishment of the fact that a Board member is holding the office in violation of any of the foregoing provisions, the Board shall remove such Board member from office, this section shall not be construed to apply to any Board member who is serving in active capacity at the time of the adoption of these Bylaws.

Nothing contained in this Section shall affect in any manner whatsoever the validity of any action taken at any meeting of the Board.

Section 4. Nominations: Prior to each annual meeting, the Executive Committee shall appoint a Nominating Committee, which Nominating Committee shall consist of three (3) members of the Cooperative residing in Lee, Union, Pontotoc, Chickasaw, or that portion of Monroe County that is adjacent to Lee County and two (2) members of the Cooperative residing in Itawamba, Prentiss, Tishomingo or that portion of Monroe County that is adjacent to Itawamba County, and which Nominating Committee shall select as nominees for the Board of Directors at least six (6) eligible individuals residing in Lee, Union, Pontotoc, or that portion of Monroe County that is adjacent to Lee County and four (4) eligible individuals residing in Itawamba, Prentiss, Tishomingo or that portion of Monroe County that is adjacent to Itawamba County, the names of whom shall be present to the members by means of ballots mailed to the mailing address of each member according to the records maintained in the office of the association. Unless a Board member whose term of office is expiring shall decline re-nomination in writing to the election committee of his county, the committee shall submit the names of each member whose term of office is slated to next expire on the proposed candidates for said office.

Nominations for members of the Board will be received from the floor upon proper nomination and second at the annual meeting. A member may not nominate himself, but may second his nomination. A joint member may not nominate their spouse, but may second such nomination. The members making such nomination and second shall support the nomination by their written certification that such nominee is a member of the association and a bona fide resident in the area served by the Cooperative, and otherwise qualified to serve on the Board pursuant hereto.

A candidate for director may also be nominated by petition containing fifty (50) signatures of members of the Cooperative as authorized by Section 77-5-221, Mississippi Code of 1972, Annotated. The body of the petition shall be on a form provided by and approved by the Cooperative, and further must contain at a minimum a certification that the nominee is a qualified member of the Cooperative and a bona fide resident in the area served by the Cooperative and a certification by each signer that the signer is a member of the Cooperative, and shall include sufficient information to confirm the identity and membership of the persons signing the petition. Any such petition must be filed at the office of the manager of the Cooperative at Tupelo, Mississippi, by 5:00 o'clock, p.m. on the Wednesday immediately preceding the annual meeting date of the Cooperative. Prior to the annual meeting, the Nominating Committee shall verify that the nominee is a qualified candidate and that at least fifty (50) signers of the petition are members of the Cooperative, and if such qualifications are not met, the nominee shall not be placed upon the ballot as a candidate for director. Only one joint member may sign a petition and count toward the required number of signatures. A candidate may sign his own petition.

The Nominating Committee shall have the responsibility of providing the necessary ballots to be used in the election of the directors, and may be in any form and verbiage as may be approved by the Board of Directors of the Cooperative. The Nominating Committee shall confirm the qualifications of all candidates and nominees prior to their inclusion upon the ballot for election.

Section 5. Auditors: The auditors of the Cooperative who are employed on an annual basis by the Cooperative shall be the tellers of the balloting, and all ballots shall be mailed in sealed envelopes to the said auditors' post office box.

Each member shall be entitled to vote, one vote per member consistent with these Bylaws, for three (3) members who shall reside in Lee, Union, Pontotoc, Chickasaw or that portion of Monroe County that is adjacent to Lee County and for two (2) members of the Cooperative residing in Itawamba, Prentiss, Tishomingo, or that portion of Monroe County that is adjacent to Itawamba County.

Notice shall be given with each Ballot as to the last day upon which such Ballot may be postmarked. The Polls shall close at the close of the business on the day so designated and the Auditor shall proceed to count the Ballots. Only those Ballots bearing a postmark dated on or prior to the designated closing date will be counted. The Auditor shall in his sole discretion determine if the Ballot may be counted consistent with these Bylaws. The three (3) members residing in Lee, Union, Pontotoc, Chickasaw, or that portion of Monroe County that is adjacent to Lee County and the two (2) members residing in Itawamba, Prentiss, Tishomingo, or that portion of Monroe County that is adjacent to Itawamba County receiving the highest vote shall be certified to the Executive Committee.

As soon as practical after the notification by the Secretary, the Board of Directors shall meet for the purpose of electing officers, and members of the Executive Committee, and taking such other actions which in their decision are necessary and proper in the administration of the Cooperative's affairs.

Section 6. Removal of Board Member by Members: Any member may bring charges against a Board member and, by filing with the Secretary such charges in writing together with a petition signed by at least ten per centum (10%) of the members or three hundred (300) members, whichever is the lesser, may request the removal of such Board member by reason thereof. Such Board member shall be informed in writing of the charges at least ten (10) days prior to the meeting of the members at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him shall have the same opportunity. The question of the removal of such Board member shall be considered and voted upon at the meeting of the members, and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provision with respect to nominations for the remaining term of the removed Director.

Section 7. Vacancies: Upon the occurrence of a vacancy on the Board of directors, other than a vacancy caused by the removal of a director pursuant to Section 6 above, the remaining Board members by affirmative majority vote may fill any vacancy on the Board by means of an appointment for the remainder of the term of the position so vacated. In the event that a vacancy is caused by the death of a Board member, the remaining Board members by affirmative majority vote may in their sole discretion appoint the surviving spouse of the deceased Board member to such position for the remainder of the term thereof. Any person being considered for appointment

pursuant to this Section must satisfy the qualifications to be a member of the Board of Directors set out in Section 3 above.

(Amended June 12, 2008)

The office of a director is subject to being declared vacant and is subject to being filled pursuant to this Section if a director shall have failed to attend as many as eight (8) meetings of the Board annually (September through August), whether special or regular meetings, and at least two thirds (2/3) of the remaining directors in office determine, in their sole judgment, that such failure did not occur for justifiable cause.

(Amended August 7, 2003)

Section 8. Compensation: If authorized by the Board, Board members may be paid compensation for the time actually spent by them in performance of their official duties. In lieu of hourly compensation, the Board may determine, in its sole discretion, the minimum time required of a prudent Director to satisfy their duties and responsibilities and compensate said Directors for that amount of time, and elect that all time in excess thereof shall be uncompensated. If authorized by the Board, Board members may also be reimbursed for travel costs and other expenses actually and necessarily incurred in carrying out such Cooperative business or granted a reasonable per diem allowance by the Board in lieu of detailed accounting for some of these expenses. No Board member shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a Board member receive compensation for serving the Cooperative, unless the payment and amount of compensation shall be specifically authorized by a vote of the Board or the service by the Board member of his close relative shall have been certified by the Board as an emergency measure.

If a Director is absent more than four (4) regular or special meetings annually (September through August), then that Director's compensation or per diem shall be reduced by \$225 per meeting missed thereafter.

(Amended August 7, 2003)

Section 9. Directors Emeritus: Any Board Member who shall have served the Cooperative as such for a period of at least nine (9) years, whether consecutive or in broken tenure, and shall not be re-elected to office, shall become a Director Emeritus, with all of the privileges and benefits as may accrue to said Board Members, excepting attendance and voting at Board meetings and remuneration for service performed.

(Amended February 12, 2004)

ARTICLE V MEETINGS OF BOARD

Section 1. Regular Meetings: A regular meeting of the Board shall be held without notice, immediately after, and at the same place as, the annual meeting of the members. A regular meeting of the Board shall also be held monthly on the second Thursday of each month at the hour and place within one of the counties served by the Cooperative as designated by the Board. Such regular monthly meeting may be held without notice other than such resolution fixing the hour and place thereof. (Unless otherwise specified, the meeting shall be held in the board room

at the office of the Cooperative in either the city of Tupelo or the town of Fulton in the State of Mississippi.) All meetings of the Cooperative, unless in executive session, shall be open to all members of the Cooperative. The Board may set reasonable rules of decorum, may require an item to be placed upon its agenda at least thirty (30) days prior to a regular meeting in order to be heard upon the same, and may impose reasonable limitations on both the number of members allowed to address the Board at any given meeting or as to reasonable time restrictions upon any such member being heard by the Board.

Section 2. Special Meeting: Special meetings of the Board may be called by the President or by any three (3) Board members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The President or Board members calling the meeting shall fix the time and place for the holding of the meeting.

Section 3. Notice of Board Meetings: Written notice of the time, place and purpose of any special meeting of the Board shall be delivered to each Board member either personally, or by telephone, by mail, or by electronic means to those Directors electing electronic notice, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President or the Board member calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Board member at his address as it appears on the records of the Cooperative, with postage thereon prepaid, at least five (5) days before the date set for the meeting.

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

ARTICLE VI OFFICERS

Section 1. Number: The officers of the Cooperative shall be a President, Vice President, Secretary, Treasurer, Executive Committee, and such other officers as may be determined by the Board from time to time, such as President Emeritus. The offices of Secretary and Treasurer may be held by the same person.

Section 2. Election and Term of Office: The officers shall be elected annually by and from the Board at the meeting of the Board held immediately after the annual election of Directors. 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 following the election or until his successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the Board for the unexpired portion of the term.

Section 3. Removal of Officers and Agents by the Board: Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Cooperative will be served thereby. In addition, any member of the Cooperative may bring charges against an officer, and by filing with the Secretary such charges in writing together with a petition signed by ten per centum (10%) of the members or three hundred (300) members, whichever is the lesser, may request the removal of such officer. The officer against whom such charges have been brought shall be informed in writing of the charges at least ten (10) days prior to the Board meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person and persons bringing the charges against him shall have the same opportunity. In the event the Board does not remove such officer, the question of his removal shall be considered and voted upon at the next meeting of the members.

Section 4. President: The President shall:

(a) be the principal executive officer of the Cooperative and, unless otherwise determined by the members or the Board, shall preside at all meetings of the members and the Board and shall further preside over the annual meeting;

(b) sign, or authorize the signing of certificate of membership, the issue of which shall have been authorized by the Board or the members, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Boards to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board 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 from time to time.

Section 5. Vice President: In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him by the Board.

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

(a) keeping the minutes of the meeting of the members and of the Board in books provided for that purpose;

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

(c) the safekeeping of the corporate books and records and the seal of the Cooperative and affixing the seal of the Cooperative to all 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;

(d) keeping a register of the names and post office addresses of all members;

(e) keeping on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Cooperative, furnishing a copy of the Bylaws and of all amendments thereto to any member upon request; and

(f) in general performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board.

Section 7. Treasurer: The Treasurer shall be responsible for:

(a) the general performance 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.

Section 8. Executive Committee composition: An Executive Committee composed of the officers of the Board plus one other Board member from Lee, Union, Pontotoc, Chickasaw and adjacent Monroe County area, and the Itawamba, Prentiss, Tishomingo and adjacent Monroe County area shall be elected to assist the President and Manager in the management of the Cooperative. The Committee shall hold monthly meetings for the purpose of hearing and reviewing the reports of the President and Manager.

Section 8a. The Executive Committee duties: The Executive Committee shall have the general management and control of all the property, business, and affairs of the Cooperative. They shall define and limit the powers and duties of all committees, officers, and agents of the Cooperative not otherwise provided for in these Bylaws. They shall require such bonds as they deem proper. The Committee shall review any disciplinary action taken by the manager within thirty (30) days of such action. The Committee shall establish salary schedules for the Manager's guidance. The Committee shall keep a permanent record of the proceedings and only those items which are recorded shall be considered as actions of the Committee. The minutes of the executive Committee shall be made a part of the minutes of the Board of Directors and shall be reviewed monthly by the Board of Directors at the regular meeting of said Board.

Section 9. Manager: The Board may appoint a Manager who may be, but who shall not be required to be a Member of the Cooperative. The Manager shall hold a degree in Electrical Engineering from an accredited school, hold a degree in Business, or such other qualifications or degrees in disciplines acceptable and approved by the Board; and perform such duties and exercise such authority as the Board may from time to time vest in him. The Manager shall select, employ, train and dismiss employees as necessary for the efficient operation of the Cooperative. He shall make a monthly report of his actions to the Executive Committee and the Board.

Section 10. Assistant Manager: The Board shall have the authority to appoint an Assistant Manager, who shall have the same educational qualifications as the manager, and shall be able to assist the Manager in the management of the affairs of the Cooperative. The Board, in selecting this person, shall have in mind that the person so employed shall be in training to become the Manager of the Cooperative upon the retirement, or disability to serve, or removal from office of Manager of the Cooperative.

Section 11. Bonds of Officers: The Treasurer and any other officer or agent of the Cooperative with responsibility for the custody of any of its funds or property shall be bonded in such sum and with such surety as the Board shall determine. The Board in its discretion may also require any other officer, agent or employee of the Cooperation to be bonded in such amount and with such surety as it shall determine.

Section 12. Compensation: The powers, duties and compensation of officers, agents and employees shall be fixed by the Board subject to the provisions of these Bylaws with respect to compensation for a Board member.

Section 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. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VII NON-PROFIT OPERATION

Section 1. Interest or Dividends on Capital Prohibited: The Cooperative shall at all times be operated on a Cooperative nonprofit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

Section 2. Rates: The Board of Directors shall set rates adequate to cover current operating expenses, repayment of debt obligations, and expansion necessary to render adequate service to members.

Section 3. Business Relationship between Patrons and Cooperative: 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.

ARTICLE VIII DISPOSITION OF PROPERTY

The Cooperative, except as the laws may prohibit, may not sell, transfer, lease or otherwise dispose of all or any substantial portion of its property unless such sale, mortgage, lease or other disposition is authorized at a meeting of the members thereof by the affirmative vote of not less

than ninety percent (90%) of all the voting members of the Cooperative, voting in person or by mail, and unless the notice of such proposed sale, mortgage, lease or other disposition or encumbrance shall have been contained in the notice of the annual meeting, and having been placed upon the agenda at least as early as the prior annual meeting; provided, however, that notwithstanding anything herein contained, the Board of the Cooperative, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of a mortgage, encumbrance or a deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income there from, all upon such terms and conditions as the Board shall determine, to secure any indebtedness of the Cooperative to United States of America or any instrumentality or agency thereof, or to a bank or financing institution, organized on a cooperative plan for the purpose of financing its members' programs, project and undertaking, in which the corporation holds membership or to any state or national bank. The Board of the Cooperative shall further have the power to purchase any property, equipment or assets of the Cooperative as they shall determine from time to time in their sole discretion, and further may sell or dispose of the same, without the vote of the membership, so long as said assets constitute no more than twenty percentum (20%) of the assets of the cooperative.

ARTICLE IX SEAL

The corporate seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words "Seal Tombigbee Electric Power Association".

ARTICLE X FINANCIAL TRANSACTIONS

Section 1. Contracts: Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc.: All checks, drafts or other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative shall be signed and/or countersigned by such officer or officers, agent or agents, employee or employees, of the Cooperative and in such manner as shall from time to time be determined by resolution of the Board.

Section 3. Deposits: All funds except petty cash of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks as the Board may select.

Section 4. Change in Rates: Written notice shall be given to the Administrator of the Rural Electrification Administration of the United States of America prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy becomes effective.

Section 5. Fiscal Year: The fiscal year of the Cooperative shall begin on the first day of July of each year and shall end on the thirtieth day of June of the next year.

ARTICLE XI MISCELLANEOUS

Section 1. 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 at a duly held meeting, the notice of which shall specify that action is to be taken upon such proposed membership or stock purchase, provided, however, that the Cooperative may upon the authorization of the Board, purchase stock in or become a member of any corporation or organization organized on a non-profit basis for the purpose of engaging in or furthering the cause of rural electrification, of any other corporation for the purpose of acquiring electric facilities.

Section 2. Waiver of Notice: Any member or Board member may waive in writing any notice of a meeting required to be given by these Bylaws. The attendance of a member or Board member at any meeting shall constitute a waiver of notice of such meeting by such member or Board member, except in case a member or Board member shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has been unlawfully called or convened.

Section 3. Policies, Rules and Regulations: The Board shall have the power to make and adopt such policies, rules and regulations not inconsistent with law or the articles of incorporation or these Bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

Section 4. Accounting System and Reports: The Board shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the administrator of the Rural Electrification Administration of the United States of America. The Board shall also after the close of each month cause to be made by a certified public accountant a full and complete progressive audit of the accounts, books and financial condition of the Cooperative as of the end of such month. A report of such audit shall be submitted upon completion, to the Board of Directors at the monthly Board meeting. The Board shall also after the close of each fiscal year cause to be made by a certified public account a full and complete report of the progressive audits of the accounts, books and financial condition of the cooperative as of the end of such fiscal year. A copy of such report shall be submitted, upon completion to the Board of Directors at the monthly Board meeting.

Section 5. Area Coverage: The Board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who:

- (a) desire such service, and

(b) make all reasonable requirements established by the Cooperative as a condition of such service.

**ARTICLE XII
AMENDMENTS**

These Bylaws may be altered, amended or repealed by an affirmative vote of at least two-thirds of the members of the Board of Directors at any regular or meeting, provided notice of thirty (30) days shall have been given of such meeting and said notice shall have contained a copy of the proposed alteration, amendment or repeal.

Approved April 12, 2012, and June 14, 2012, at the Tombigbee Electric Power Association Headquarters office in Tupelo, Mississippi

I certify that this is a true and correct copy of the By-Laws of Tombigbee Electric Power Association as of June 14, 2012

F. G. Wiygul Jr., Secretary