

Dear SVEC Member,

Please find below a red-lined version of proposed amendments to the SVEC Bylaws. All amendments are in **red**. ~~Strikethrough~~ denotes a deletion. Underline denotes an addition.

These amendments have been carefully reviewed and formally endorsed by the SVEC Board of Trustees and are being presented to the membership for consideration.

Voting on the bylaw amendments will occur at the SVEC Annual Meeting on Saturday, April 25, 2026. We encourage you to review the proposed changes in advance and participate in the meeting. The Board recommends that you vote in favor of the bylaw amendments.

Thank you for your continued engagement and support of SVEC.

Sincerely,  
SVEC Board of Trustees

**2026 PROPOSED AMENDMENTS**  
**to**  
**BYLAWS OF**  
**SUWANNEE VALLEY ELECTRIC COOPERATIVE,**  
**INC.**  
**LIVE OAK, FLORIDA**

**ARTICLE I: MEMBERSHIP**

**Section 1. Requirements for Membership.**

Any natural person, firm, association, corporation, business trust, partnership, federal agency, state or political subdivision or agency thereof, or any body politic may become a member of Suwannee Valley Electric Cooperative, Inc. (hereinafter called the “Cooperative”) by:

- (a) filing a written application for membership therein;
- (b) agreeing to purchase from the Cooperative electric energy as hereinafter specified;
- (c) agreeing to comply with and be bound by the articles of incorporation and bylaws of the Cooperative and any rules, regulations, and policies adopted by the Board of Trustees and as amended from time to time; ~~and~~

(d) paying the membership fee hereinafter specified; ~~and-~~

(e) Agreeing that patronage capital allocated to a member by the Cooperative shall be paid to such member as equity and shall be held as equity by the Cooperative and such amounts shall not constitute "rates" and further agree that the Cooperative shall be entitled to retire or repay equity to any member as may be required by a Court or arbitrator without the necessity to retire or repay other members on the same terms.

No member may hold more than one membership in the Cooperative, and no membership in the Cooperative shall be transferable. Even if a person has not submitted a written application, it is understood and agreed that the receipt of service by any person shall constitute application and membership in the Cooperative until a written contract is executed between the parties.

### **Section 2. Membership Record & Certificates.**

It shall be the duty of the member or former member to provide written notice to the Cooperative of any address changes. It is the responsibility of the member or former member to ensure that the Cooperative has current contact information on file, including a physical mailing address. The Cooperative shall maintain complete records of the names and address of all members based on information provided by members, which shall be conclusive evidence of membership. Membership may be further evidenced by a membership certificate which, if issued, shall be in such form and contain such provisions as determined by the Board of Trustees. Any such certificates, if issued, shall be signed by the President and Secretary of the Cooperative and the corporate seal shall be affixed thereto. No membership certificate shall be issued unless the membership fee fixed in these bylaws shall be paid in cash. A new certificate may be issued if a certificate has been lost, destroyed, misplaced, or mutilated upon such uniform terms and indemnity to the Cooperative as the Board of Trustees may prescribe.

### **Section 3. Joint Membership.**

~~Any two natural persons~~ Legally married couples who qualify to be members may hold a joint membership in the Cooperative. Except as otherwise provided in these Bylaws, a Joint Member has and enjoys the rights, benefits, and privileges, and is subject to the obligations, requirements, and liabilities, of being a Member. For a joint membership:

(a) notice to, waiver of, or the presence of any one Joint Member at a meeting constitutes notice to, waiver of, or the presence of all Joint Members;

(b) the vote, signature, or action of one Joint Member shall constitute one vote, signature, or action, and the first vote, signature, or action received by the Cooperative binds the joint membership and constitutes one vote, signature, or action;

(c) either Joint Member, but not both, may be elected or appointed as an officer or Trustee, provided that both meet the qualifications for the office.

Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely by the survivor, and the capital credits will be held solely by the survivor; provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.

~~Upon the death of a Joint Member, the membership does not convert or transfer to the surviving Member; rather, a surviving Member must reestablish membership by complying with the requirements set forth in Section I of this Article (if the membership fee has been reimbursed, the surviving Member must provide a new membership fee). In the case of a legally married couple, the capital credits allocated to the decedent will pass to the surviving spouse. In all other instances, upon the death of a Joint Member, the decedent's capital credits shall pass to his, her, or its heir(s). The Cooperative may require a copy of the decedent's death certificate and/or additional paperwork necessary to determine the proper heir(s).—~~A surviving Member must notify the Cooperative of the death of a Joint Member.

#### **Section 4. Conversion of Membership.**

[No amendments proposed.]

#### **Section 5. Membership and Service Connection Fees.**

The membership fee shall be ~~Five Dollars (\$5.00)~~fixed from time to time by the Board of Trustees. Service connection fees shall be established, from time to time, by resolution of the Board of Trustees of the Cooperative. Unless waived in writing by the Board, or barred by applicable law, an applicant shall also pay the Cooperative, as a condition precedent to membership and receipt of electric service, all outstanding amounts owed to the Cooperative by the applicant.

#### **Section 6. Purchase of Electric Energy and Other Utility Services.**

Each member shall purchase from the Cooperative all electric energy used on the premises specified in the application for membership, unless and except such energy is generated from the member's own assets and the Board of Trustees has waived in writing such requirement, and shall pay therefore rates from time to time be fixed by the Board of Trustees; provided, however, that the Board of Trustees may limit the amount of electric energy which the Cooperative shall be required to furnish to any one member. It is expressly understood that amounts paid for electric energy and other utility services in excess of the cost of service are furnished as capital and each patron shall be credited with the capital so furnished as provided in these bylaws. Each member shall pay to the Cooperative such minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the Board of Trustees from time to time. Each member shall also pay all amounts owed to the Cooperative as and when the same shall become due and payable. The Cooperative cannot and therefore does not guarantee an uninterrupted and continuous supply of utility services. Production or use of utility services 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.

#### **Section 7. Termination of Membership.**

Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board of Trustees may prescribe. The Board of Trustees of the Cooperative may, by the affirmative vote of not less than two-thirds (2/3) of all the Trustees, expel any

member who shall have refused or failed to comply with any of the provisions of the articles of incorporation, bylaws, or rules, regulations or policies adopted by the Board of Trustees, but only if such member shall have been given written notice by the Secretary of the Cooperative that such refusal or failure makes him liable to expulsion and such refusal or failure shall have continued for at least ten days after such notice was given. Any expelled member may be reinstated by vote of the Board of Trustees or by vote of the members at any annual or special meeting. The Board of Trustees 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 membership obligations.

Upon the withdrawal, death of a natural person, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate, and the membership certificate, if any, of such member shall be surrendered forthwith to the Cooperative. Termination of membership in any manner shall not release a member or his estate from any debts due the Cooperative.

The Cooperative may terminate electric or other services to a member for failure of the member to pay for those services and for failure to comply with the governing documents, in accordance with such termination of service policies and procedures as the Board shall approve. Any individual who continues to reside at a location that was previously receiving service in the name of the decedent must apply for a new membership by following the provisions of Section 1 herein. The cessation of the legal existence of any other type of member shall automatically terminate such membership, unless otherwise determined by the Board in its discretion and business judgment.

Upon discovery that the Cooperative has been furnishing utility services to any person other than a member, it shall cease furnishing such service unless such person applies for, and the Cooperative approves, membership retroactively to that 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. In the event the Cooperative acquires facilities which are already providing utility services to patrons not members of the Cooperative, the Cooperative may, for the purpose of continuing existing service and avoiding hardship, continue to serve the persons served by such facilities at the time of such acquisition without requiring that such persons become members. However, the Cooperative may require such persons to apply for membership with the Cooperative within a reasonable time by following the provisions set forth in Article I, Section 1.

#### **Section 8. Member to Grant Easements.**

Each member, if legally able, shall grant, execute, and deliver to the Cooperative, without charge to the Cooperative, (a) easement or right-of-way over and through, on and under such lands owned, occupied, or controlled by the member, as the Cooperative shall require for the furnishing of utility service to the member or other occupants, or for the construction, extension, improvement, operation, maintenance, or relocation of the Cooperative's poles, lines, fiber, and other materials and equipment of the Cooperative ("Cooperative's Facilities"); (b) the right to use and/or allow others to use the easements and Cooperative's Facilities thereon for general

communication and commercial public telecommunication purposes unrelated to furnishing electric service, this includes but is not limited to broadband services and fiber optic uses-- including those made possible by future technological developments; and (c) the right to access and duly authorize third parties to access the easements to maintain the easements and the lines and other equipment thereon in such condition as may be necessary or desirable, including, without limitation, the right to cut trees, trim trees, apply herbicides for vegetation management, and remove or trim other obstacles, including trees, on or adjacent to the easements which may endanger the lines or other equipment on the easements or the public. The granting by a member of such easements and rights to the Cooperative shall be effective upon the member's admission to membership in the Cooperative, even if retroactive, and the granting of such easements and rights shall be effective and enforceable even in the absence of a separate written easement agreement executed by the member. The member shall, nevertheless, execute a separate written easement agreement for recording purposes if requested by the Cooperative to do so.

### **Section 9. Consent to Electronic and Telephone Communications.**

By applying for or using any Cooperative utility service, members give affirmative consent to be contacted via electronic and telephonic communications as described herein. This consent shall be interpreted broadly and shall constitute any and all necessary consents under all consumer state and federal laws, including but not limited to the Telephone Consumer Protection Act, the Fair Debt Collection Practices Act, the Consumer Financial Protection Bureau Debt Collection Rule, and the Fair Credit Reporting Act.

The Members through continued use of Cooperative utility services, confirm that the members are authorized to, and do, consent to electronic and telephonic communications on behalf of all other account owners, authorized signers, authorized representatives, delegates, and/or service users in relation to the utility services being provided and agree to indemnify, defend, and hold the Cooperative harmless for any claims brought by third parties related to electronic and telephonic communications from the Cooperative or its agents or representatives.

Members agree the Cooperative may communicate via telephone (including text, which could result in charges to the member or recipient), pre-recorded or artificial voice messages, email communications, and/or the use of automatic dialing devices based on the information provided to the Cooperative. By applying for or using any utility service provided by the Cooperative, each member gives explicit consent to receive communications from the Cooperative by any means, including those listed herein in relation to utility services, billing, and for any other reason whatsoever. Each member further explicitly consents to receive communications from the Cooperative or from those acting under its direction at any hour of the day, during any day of the week. It is the member's responsibility to update contact records and inform the Cooperative if the member would like to communicate via a different means, during a different time period, or if any of the contact information has changed. If the member fails to update the Cooperative with current contact information and the Cooperative receives a claim related to a prior telephone number, email address, or other communication device associated with the member's account, the member agrees to indemnify, defend, and hold the Cooperative harmless relating to any and all claims made relating in any way to contacts to any prior

telephone number, email address, or other communication device previously associated with the member's account. If a member would prefer not to be contacted by email, telephone, and/or text, or needs to update contact information, the member must contact the Cooperative, in writing, at Suwannee Valley Electric Cooperative, P.O. Box 160, Live Oak, Florida 32064. A member's withdrawal of consent will become effective only after the Cooperative has confirmed receipt of the member's withdrawal request and has had a reasonable opportunity to act upon it. Under no circumstances will any withdrawal of consent be deemed immediate. If a member withdraws consent, the Cooperative reserves the right to limit, close, and/or terminate any utility services, and the legal validity and enforceability of prior communications delivered in electronic form will not be affected. These instructions constitute the only method that a member may use to withdrawal consent.

#### **Section 10. Applicability and Acceptance of Bylaws.**

The members 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 member, and both the Cooperative and the members are bound by such contract, as fully as though each member had individually signed a separate instrument containing such terms and provisions. These bylaws shall be called to the attention of each member of the Cooperative by posting in a conspicuous place in the Cooperative's office or on the Cooperative's website.

## **ARTICLE II: RIGHTS AND LIABILITIES OF MEMBERS**

[No amendments proposed.]

## **ARTICLE III: MEETING OF MEMBERS**

### **Section 1. Annual Meeting.**

[No amendments proposed.]

### **Section 2. Special Meetings.**

Special meetings of the members may be called by resolution of the Board of Trustees, or upon written request of three (3) Trustees, by the President, or by ten percent (10%) or more of all the 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 virtually or at any place within the Counties of Suwannee, Columbia, Lafayette, or Hamilton, State of Florida, specified in the notice of the special meeting.

### **Section 3. Notice of 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 other than that listed in Section 7 of this article is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered to each member not less than ten (10) days nor more than forty-five (45) days before the date of the meeting, either personally or by mail (including electronic mail), by or at the

direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at the member's address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action taken by the members at any such meeting. It shall be the duty of the member or former member to provide prompt written notice to the Cooperative updating the member or former member's address in the event such address changes.

#### **Section 4. Quorum.**

At any meeting of members, a total of one percent (1%) of all members shall constitute a quorum for the transaction of business at such meeting. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice. , provided that the Secretary shall notify all members of the time and place of such adjourned meeting. Those voting by absentee ballots shall be counted as present for purposes of determining a quorum.

#### **Section 5. Voting.**

Each member shall be entitled to only one vote. A member may vote in person or by absentee ballot, if permitted by the Board. All questions shall be decided by a vote of a majority of the members, except as otherwise provided by law, the articles of incorporation, or these bylaws.-

#### **~~Section 6. Designation of Voting Representative of Members Other Than a Natural Person.~~**

To be eligible to vote, each member of the Cooperative, other than members who are natural persons, must designate a voting representative, in writing, to vote at any meeting of the members pursuant to such rules and procedures as may be from time to time established by the Board of Trustees.

#### **Section 6. Absentee Voting.**

At any meeting of the members, any member may vote by absentee ballot for any matter specifically listed and identified on the mail or electronic ballot. Any member desiring to vote by absentee ballot shall completely fill out the ballot and return it to the Cooperative's Election Official, either in person, or by mail (including electronic mail), not less than 4:00 p.m., three (3) business day prior to the annual or special meeting. The presence in person of a member at a meeting wherein he or she has previously voted by absentee ballot shall revoke the ballot, and the member shall be entitled to vote in the same manner and with the same effect as if he or she had not executed the absentee ballot. In case of a joint membership, an absentee ballot may be executed by either spouse. The presence of either spouse at a meeting of the members shall revoke the absentee ballot executed by either of them and such joint member or members shall be entitled to vote at such meeting in the same manner and with the same effect as if the absentee ballot had not been executed.

#### **Section 7. Order of Business.**

[No amendments proposed.]

### **Section 8. Proxy Voting.**

~~Any member of the Cooperative shall be permitted to vote in person, by absentee, or by proxy at any annual or special meeting of the members. Proxy voting shall be permitted as otherwise allowed by law, but only if the written proxy is filed with the Secretary of the Cooperative at least five (5) days prior to such annual or special meeting. Any proxy must be duly signed by the member.~~

~~The member's name must be clearly typed or printed thereon and must clearly state the name and address of the proxy so designated. Any person may be designated as proxy for an unlimited number of members. The form of proxy shall be as prescribed by the Board of Trustees, but shall be limited as otherwise provided by law and must specifically list the issue or issues to be voted upon by the proxy. No proxy shall be valid for a period longer than ninety (90) days after the date of the first meeting for which the proxy is given. No proxy voting shall be permitted at any district meeting as provided for in Article IV, Section 4 hereof.~~

## **ARTICLE IV: TRUSTEES**

### **Section 1. General Powers.**

[No amendments proposed.]

### **Section 2. Qualifications and Tenure.**

The members shall elect by ballot at the Annual Meeting of the Members nine (9) Trustees, which shall consist of one (1) Trustee for each district. The Trustees elected from Districts 1, 2 and 3 shall be elected at the annual meeting held in 2005. Trustees elected from Districts 4, 5 and 6 shall be elected at the annual meeting held in 2006. Trustees elected from Districts 7, 8 and 9 shall be elected at the annual meeting held in 2007. Thereafter, each Trustee elected from each of the nine (9) districts of the Cooperative shall serve for a term commencing with the close of the Annual Meeting of Members at which each such Trustee was elected and continue until the close of the third (3rd) regular Annual Meeting of the Members held thereafter.

No person shall be eligible to become or remain a Trustee or to hold any position of trust in the Cooperative who:

(a) Is not a member and bona fide resident residing in the area served by service territory of the Cooperative; or

~~(a)~~(b) Has not been a member in good standing with the Cooperative for a minimum of five (5) years; or

~~(b)~~(c) Is any way employed by or financially interested in a competing enterprise or a business selling electric energy or supplies to the Cooperative or a business primarily engaged in selling electrical or broadband internet services or ~~plumbing appliances, fixtures or~~ supplies to the members of the Cooperative; or

~~(e)~~(d) Is the incumbent of or candidate for an elective public office in connection with which salary or compensation in excess of one hundred dollars (\$100.-00) per annum is

paid; or

~~(d)~~(e) Has been convicted of a felony in any court and less than four (4) years has expired after completion of sentence unless, prior to the expiration of the four (4) year period, he or she has received a full pardon or has had his or her civil rights restored; ;

or;

(e)(f) Has been employed by the Cooperative at any time during the past five (5) years prior to the date of the election of such person.

Upon establishment of the fact that a Trustee is holding office in violation of any of the foregoing provisions, it shall immediately become incumbent upon the Board of Trustees to remove such Trustee(s) from office. When a membership is held jointly by spouses, either one, but not both, may be elected a Trustee provided, however, that neither one shall be eligible to become or remain a Trustee or to hold a position of trust in the Cooperative unless both shall meet the qualifications herein above set forth.

If any Trustee shall be charged in any court with the commission of a felony, such person shall be immediately suspended as a Trustee of the Cooperative without any of the benefits of that office and such suspension shall continue pending a final decision on such charge. If such person shall be found “not guilty” or if the charges shall be dismissed, then such person shall be immediately reinstated as a Trustee with all benefits of such office.

No person shall be removed or suspended as a Trustee of the Cooperative until after such person shall be given ten (10) days prior written notice of a public hearing at which the Board of Trustees shall determine the question of removal or suspension of such person based on testimony and evidence presented to it. Such person may be represented by an attorney.

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

Should any Trustee fail to attend the regular monthly Board meeting, without having been excused, three consecutive times, the trustee shall cease to be a member of the Board after the third meeting that the trustee fails to attend without having been excused and the resulting vacancy shall be filled as prescribed in these bylaws by the remaining members of the Board; provided however, that the Board may excuse an absence by a Trustee for good cause shown, either before or after the absence. Good cause shall include, but is not limited to, absences for medical reasons and absences due to attendance at conferences, meetings, or other events on behalf of the Cooperative.

### **Section 3. Voting Districts.**

[No amendments proposed.]

### **Section 4. Nomination and Election of Trustees.**

[No amendments proposed.]

### **Section 5. Removal of Trustees by Members.**

Any member may bring charges against a Trustee by filing such charges in writing with the

Secretary, together with a petition signed by at least ten percent (10%) of the members and request the removal of such Trustee by reason thereof. The Trustee against whom such charges have been brought shall be informed in writing of the charges at least ~~five (5)~~ten (10) business days prior to the meeting 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 Trustee shall be considered and voted upon at the next regular or special meeting of the members, and any vacancy created by such removal may be filled by vote of the members present at such meeting without compliance with the provisions of these bylaws with respect to nominations.

### **Section 6. Removal of Trustees by Board of Trustees.**

Any member of the Board of Trustees may call for removal for cause of a fellow Trustee by filing with the Secretary a written statement of the allegations constituting cause for removal. The statement must be signed by no less than four (4) of the current Trustees. The statement shall be delivered to the affected trustee by USPS certified mail with return receipt requested, by hand delivery, or by an overnight courier service for which a receipt is given. The Board shall then conduct a preliminary hearing on the Statement no sooner than ten (10) days after delivery of the Statement to determine if there is probable cause to proceed with a removal action as specified herein. The affected Trustee shall have an opportunity at the preliminary hearing to be heard in person or by counsel and to admit or deny the allegations in the Statement. At the conclusion of the preliminary hearing, the Board shall convene an executive session to either determine that there is no probable cause to proceed with the removal action, in which event the matter shall be closed, or determine that there is probable cause and set the matter for a removal hearing as hereinafter set forth. If the Board determines that there is probable cause for removal of the affected Trustee, the matter will be considered at the next regular meeting of the Board of Trustees or at a special meeting of the Board called for that purpose, subject to the notice requirements of these Bylaws. At the meeting where the removal of the Trustee shall be considered, the Trustee shall have an opportunity to be heard in person or by counsel and to present evidence in respect of the charges. The Trustee or Trustees bringing the charges against the affected Trustee shall have the same opportunity. The President shall determine the order and procedure for hearing the removal action. The members of the Cooperative shall be notified of the call for removal and the date and time of the meeting at which the matter will be considered, as provided in Article III, Section 3, of these Bylaws. The question of the removal of the Trustee shall be considered and determined by a majority of the Trustees present and voting at the meeting. The vacancy created by a removal may be filled by the Board of Trustees in accordance with Section 7 of this Article.

### **Section 67. Vacancies.**

Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of Trustees by the members, a vacancy occurring in the Board of Trustees shall be filled by the affirmative vote of a majority of the remaining Trustees for the unexpired portion of the term of the Trustee in respect of whom the vacancy occurs. The office of a Trustee is subject

to being declared vacant and subject to being filled pursuant to this Section if (1) the Trustee shall have failed to attend as many as three consecutive meetings of the Board, whether special or regular, and at least two-thirds of the remaining Trustees in office determine, in their sole judgment, that such failure did not occur for justifiable cause and will likely recur; or (2) the Trustee, as determined in their sole judgment by at least two-thirds of the remaining Trustees in office, has become incapable of performing the duties of a Trustee and such incapability is not likely to cease within a reasonable time; or (3), such Trustee is no longer a bona fide resident of the district such Trustee was elected to represent, and the Board finds such change of residence is permanent; or (4) such Trustee is adjudged by a least two-thirds of the remaining Trustees to be guilty of official misconduct, gross negligence while in the performance of official duties, and/or of final conviction of a felony. The member elected as Trustee to fill the vacancy must reside in the same district as the Trustee to whose office he or she succeeds.

### **Section 78. Compensation.**

Trustees ~~as such~~ shall not receive any salary for their services, but by resolution of the Board of Trustees, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting of the Board of Trustees and such other meeting as shall be authorized by the Trustees. No Trustee shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a Trustee receive compensation for serving the Cooperative, unless the payment of compensation shall be specifically authorized by a vote of the members or the service by such Trustee or close relative shall have been certified by the Board of Trustees as an emergency measure.

## **ARTICLE V: MEETING OF TRUSTEES**

### **Section 1. Regular Meetings.**

A regular meeting of the Board of Trustees shall be held without notice other than this bylaw, immediately after, and at the same place as, the Annual Meeting of the Members. Regular meetings of the Board of Trustees ~~shall also~~ may be held monthly at such time and place, or virtually, as the Board of Trustees may provide by resolution. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof.

The Board of Trustees is committed to addressing the service needs of its members and the business requirements of the Cooperative. Accordingly, the Board of Trustees must have the ability to make critical decisions without undue delay to prevent harm to the members and Cooperative. To ensure business continuity, a Trustee shall be authorized to participate in a regular, special, annual, or committee meeting by telephone or any other electronic means that permits the Trustee to hear and be heard during any such meeting. Participation shall constitute attendance at the meeting and count toward a quorum. ~~Trustees attending via remote participation shall have the notation "BY REMOTE PARTICIPATION" placed next to their name in the attendance section of the minutes for the meeting.~~

### **Section 2. Special Meetings.**

Special meetings of the Board of Trustees may be called by the President or by any three (3)

Trustees, 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 the Trustees calling the meeting shall fix the time and place (which shall be in Suwannee, Lafayette, Columbia, or Hamilton Counties, Florida or held virtually), for the holding of the meeting.

### **Section 3. Notice of Trustee Meetings.**

Written notice of the time, place, and purpose of any special meeting of the Board of Trustees shall be delivered to each Trustee not less than five (5) days previous thereto, either personally or by mail, including electronic mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President or the Trustees calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Trustee at his address as it appears on the records of the Cooperative, with postage thereon prepaid. The attendance of a Trustee 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. In case of an emergency confirmed by a quorum of Trustees, twenty-four (24) hours' notice may be given by telephone, electronically, and/or delivered to the Trustees' last known address to convene a special meeting of the Board.

### **Section 4. Quorum.**

[No amendments proposed.]

## **ARTICLE VI: OFFICERS**

### **Section 1. Number.**

[No amendments proposed.]

### **Section 2. Election and Term of Office.**

The officers described in Section 1, above, shall be elected annually by first meeting of the Board of Trustees following the next succeeding annual meeting of the members or until his or her successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the Board of Trustees for the unexpired portion of the terms. The election may be by secret written ballot unless the Board, by resolution, determines otherwise. Each officer shall hold office until the first meeting of the Board of Trustees following the next succeeding annual meeting of the members or until his successor shall have been elected and shall have qualified. Only members of the Board shall be eligible to serve as a required officer. Subject to removal by the Board, each required officer shall hold office until the required officer's successor is duly elected. The Board shall fill any vacant officer position for the remaining unexpired portion of the required officer's term.

### **Section 3. Removal of Officers and Agents by Trustees.**

Any officer or agent elected or appointed by the Board of Trustees may be removed by the Board of Trustees whenever in its judgment the best interests of the Cooperative will be served thereby. A vacancy in any officer position shall be filled by the Board for the unexpired portion

~~of the term. In addition, any members of the Cooperative may bring charges against an officer by filing such charges in writing with the Secretary, together with a petition signed by ten percent (10%) of the members and request the removal of the particular officer by reason thereof. The officer against whom such charges have been brought shall be informed in writing of the charges at least five (5) days prior to the meeting 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 officer shall be considered and voted upon at the next regular meeting or special 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 of Trustees, shall~~ preside at all meetings of the members and the Board of Trustees;

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

#### **Section 5. Vice-President.**

[No amendments proposed.]

#### **Section 6. Secretary.**

The Secretary shall:

(a) keep, or cause to be kept, the minutes of the meetings of the members and of the Board of Trustees 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 affix 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 or required by law or under the provisions of these bylaws;

(d) maintain and have custody of a register of the names and post office addresses of all members, and any other books of the Cooperative in which a record of the members is kept;

(e) sign, with the President, certificates of membership, the issue of which shall have been authorized by the Board of Trustees;

(f) keep on file at all times a complete copy of the articles of incorporation and bylaws of the Cooperative and all amendments thereto, which copy shall always be open to the inspection of any member, and at the expense of the Cooperative, forward a copy of the bylaws and all amendments thereto to each member requesting the same; and

(g) perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Trustees.

#### **Section 7. Treasurer.**

[No amendments proposed.]

#### **Section 8. Manager.**

The Board of Trustees may appoint a general manager who may, but who shall not be required to be, a member of the Cooperative. The general manager shall be designated as Chief Executive ~~Vice-President Officer~~ of the Cooperative and shall perform such duties and exercise such authority as the Board of Trustees may from time to time vest in him.

#### **Section 9. Other Officers and Agents.**

[No amendments proposed.]

#### **Section 10. Bonds of Officers.**

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

#### **Section 11. Compensation.**

[No amendments proposed.]

#### **Section 12. Reports.**

The officers of the Cooperative ~~shall~~ may 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: DISPOSITION OF REVENUE AND RECEIPTS**

#### **Section 1. Apportionment of Excess Revenues**

Florida law provides that revenues of the Cooperative “for any fiscal year in excess of the amount thereof necessary:

(1) To defray expenses of the cooperative and of 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 for the financing of, the construction or acquisition by the cooperative of additional facilities to the extent determined by the board of trustees;
- (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 1 year after the date of the incurrance 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; and
- (6) To provide a fund for education in cooperation and for the dissemination of information concerning the effective use of electric energy and other services made available by the cooperative,

shall, unless otherwise determined by a vote of the members, be distributed by the cooperative to its members as patronage refunds in accordance with the patronage of the cooperative by the respective members paid for during such fiscal year. Nothing herein contained shall be construed to prohibit the payment by the cooperative of all or any part of its indebtedness prior to the date when the same shall become due.” In accordance with this law and as memorialized herein, the membership has voted to allow the Board of Trustees, in its discretion and business judgment, to distribute any statutory excess revenues, should any exist, to the capital accounts of members rather than paying them in cash, and to in turn periodically choose to retire such credits, as set forth in Article VII, Section 3 below. To the extent any member disagrees with the decisions of the Board of Trustees with respect to the allocation or retirement of these statutory excess revenues, the member may not seek arbitration pursuant to Article XI, Section 7 or file a lawsuit if the member opted out of Article XI, Section 7, until the member has first provided written notice to the Board of Trustees at least fifteen (15) calendar days in advance of the next scheduled regular monthly Board meeting and provided the Board of Trustees with a reasonable time to investigate and respond to the matter.

#### **Section ~~12~~. Interest or Dividends on Capital Prohibited.**

[No amendments proposed.]

#### **Section ~~23~~. Patronage Capital in Connection with Furnishing Electric Energy and Other Utility Services.**

In the furnishing of electric energy and other utility services, the Cooperative’s operations shall be so conducted that all ~~patrons, members and non-members alike,~~ will through their patronage furnish capital for the Cooperative. All members acknowledge the need of the Cooperative for capital received from members to operate. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the membership has voted to vest in the Board of Trustees, in its discretion and business judgment, the ability to allocate patronage capital to the accounts of members, rather than paying them in cash, the Cooperative is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the

furnishing of electric energy and other utility services in excess of operating costs and expenses properly chargeable against the furnishing of electric energy and other utility services. All such amounts in excess of operating costs and expenses, at the moment of receipt by the Cooperative, are received with the understanding that they are furnished by patrons as capital. Such patronage capital amounts are not the same as statutory “excess revenue” as determined under Florida law (as described in Section 1, above). The Cooperative is obligated to pay by credits to a capital account for each ~~patron-member~~ all such amounts in excess of the operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such manner that at the end of each fiscal year the amount of capital, if any, so furnished by each ~~patron-member~~ is clearly reflected and credited in an appropriate record to the capital account of each ~~patron-member~~, and the Cooperative ~~shall may~~, within a reasonable time after the close of the fiscal year, notify each ~~patron-member~~ of the amount of distribution capital so credited to an account. All such amounts credited to the capital account of any ~~patron-member~~ shall have the same status as though they had been paid to the ~~patron-member~~ in cash in pursuance of a legal obligation to do so and the ~~patron-member~~ had then furnished the Cooperative corresponding amounts for capital.

To the extent necessary and in the sole discretion of the ~~B~~board, the Cooperative may establish separate allocation units for utility services other than the provision of electric energy in order to ensure that margins are equitably allocated among all members ~~and other patrons~~.

The ~~b~~Board shall determine the cost allocation and accounting rules for any separate allocation.

All other amounts received by the Cooperative from its operations in excess of cost and expenses shall, insofar as permitted by law, be: (a) used to offset any losses incurred during the current or any prior fiscal year; and (b) to the extent not needed for that purpose, may be added to the Cooperative’s retained capital or allocated to its members ~~and other patrons~~ on a patronage basis at the discretion of the ~~B~~board and any amount so allocated shall be included as part of the capital credited to the accounts of members ~~and other patrons~~, as herein provided.

To the extent these amounts are included as part of the capital credited to the accounts of members, such amounts shall be allocated as herein provided.

### **Section ~~43~~. Dissolution or Liquidation.**

[No amendments proposed.]

### **Section ~~54~~. Retirement of Capital.**

If, at any time prior to dissolution or liquidation, the Board of Trustees shall determine that the financial condition of the Cooperative will not be impaired thereby, the ~~c~~Capital then credited to members’ accounts may be retired in full or in part. The Board of Trustees shall have the discretion in the exercise of its business judgment to determine the method, basis, priority, and order of retirement, if any, for all amounts heretofore and hereafter furnished as capital. Any such retirement of capital shall be made according to such rules, regulations, and policies as are adopted by the Board of Trustees.

(1) Retirement of capital credits is the actual payment, as provided by subsection 2 below, of patronage capital to the Cooperative members to whom it has previously been

allocated. The Board may, in its discretion, utilize its business judgment to retire patronage capital as allocated on the books of the Cooperative so long as the retirement is consistent with sound business and management practices and the financial stability of the Cooperative will not be impaired thereby. If the Board, in its discretion, utilizes its business judgment to retire patronage capital to members either upon their death, termination of electric service, bankruptcy, or other special circumstances as deemed necessary in the Board's business judgment, then the retirement may be discounted in the exercise of the Board's business judgment.

(2) When the Board has determined, pursuant to subsection (1) above, that patronage capital shall be retired, the retirement may be accomplished in the manner determined by the Board, including by a bill credit or by the mailing of payment or notice of payment to the person's last known address of record on file with the Cooperative. No interest shall be paid or payable by the Cooperative on any patronage capital furnished by its members.

In no event may the Board of Trustees retire capital such that it would cause the Cooperative to fall out of compliance with the provisions of any of its mortgages, deeds of trust, loan contracts, or other security instruments executed by the Cooperative to secure any indebtedness of the Cooperative.

To the extent a member disagrees with the decisions of the Board of Trustees with respect to the allocation or retirement of capital credits, the member may not seek arbitration pursuant to Article XI, Section 7, or file a lawsuit if the member opted out of Article XI, Section 7, until the member has first provided written notice to the Board of Trustees at least fifteen (15) calendar days in advance of the next scheduled regular monthly Board meeting and provided the Board of Trustees with a reasonable time to investigate and respond to the matter.

#### **Section ~~65~~. Assignment of Capital.**

Capital credited to the account of each member shall not be assignable ~~only on the books of the Cooperative pursuant to written instruction from the member and only to successors in interest or successors in the Cooperative~~ unless the Board of Trustees, acting under policies of general application, shall determine otherwise.

#### **Section ~~67~~. Death of Individual Member.**

[No amendments proposed.]

#### **Section ~~78~~. Failure to Claim Cash Retirement of Capital Credits Within Three (3) Years; Assignment to Cooperative.**

[No amendments proposed.]

#### **Section 9. Debts of Members and Set Off.**

No member of the Cooperative shall be entitled to receive any retirement of capital credits if such member is indebted to the Cooperative in any manner. Any indebtedness due the Cooperative by any member, at the option of the Board of Trustees, may be set off against the capital credits of such member at any time, together with interest thereon at the legal rate accruing on judgments in effect when such amount became overdue, compounded annually.

**Section 10. Patronage Refunds in Connection with Furnishing Other Services.**

In the event that the Cooperative should engage in the business of furnishing goods or services other than electric energy, all amounts received and receivable therefrom which are in excess of costs and expenses properly chargeable against the furnishing of such goods or services may, in the discretion of the Board of Trustees and, insofar as permitted by law, be allocated to a capital account and prorated annually on a patronage basis and retired to the members at such time and in such order of priority as the Board of Trustees shall determine provided that the financial condition of the Cooperative will not be impaired thereby.

**Section 11. Patronage Capital by Organizations Furnishing Power Supply.**

The Board of Trustees shall have the power to adopt rules providing for the separate retirement of that portion of capital credited to the account of members which corresponds to capital credited to the account of the Cooperative by an organization furnishing power supply or any other service or supply to the Cooperative. Such Rules may (a) establish a method for determining the portion of such capital credited to each member for each applicable fiscal year, (b) provide for separate identification on the Cooperative's books of such portions of capital credited to the Cooperative's members, (c) preclude a general retirement of such portions of capital credited to members for any fiscal year prior to the general retirement of other capital credited to members for the same year or of any capital credited to members for any prior fiscal year, and (d) provide that unclaimed general retirement funds may be presumed abandoned and such unclaimed funds may be used for the benefit of the general membership of the Cooperative.

**ARTICLE VIII: DISPOSITION OF PROPERTY**

[No amendments proposed.]

**ARTICLE IX: SEAL**

[No amendments proposed.]

**ARTICLE X: FINANCIAL TRANSACTIONS**

[No amendments proposed.]

**ARTICLE XI: MISCELLANEOUS**

**Section 1. – Section 6.**

[No amendments proposed.]

**Section 7. ALTERNATIVE DISPUTE RESOLUTION.**

**UNLESS OTHERWISE PROHIBITED BY LAW, ANY CONTROVERSY OR CLAIM ARISING OUT OF OR RELATING TO THESE BYLAWS, OR THE BREACH THEREOF, INCLUDING BUT NOT LIMITED TO ANY CLAIMS OR CONTROVERSIES RELATED TO BOARD GOVERNANCE, OR ANY CONTROVERSY OR CLAIM ARISING OUT OF OR RELATING TO PATRONAGE**

CAPITAL OR SECTION 425.21, FLORIDA STATUTE, SHALL BE RESOLVED BY BINDING ARBITRATION ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION IN ACCORDANCE WITH ITS ARBITRATION RULES AFTER ALL CONDITIONS PRECEDENT, IF APPLICABLE, HAVE BEEN MET. THIS AGREEMENT INVOLVES INTERSTATE COMMERCE SUCH THAT THE FEDERAL ARBITRATION ACT, 9 U.S.C. § 1, ET SEQ. SHALL GOVERN THE INTERPRETATION AND ENFORCEMENT OF THIS ARBITRATION AGREEMENT. THE ARBITRATION SHALL BE HELD IN EITHER SUWANNEE, COLUMBIA, LAFAYETTE, OR HAMILTON COUNTY, STATE OF FLORIDA, AT AN EXACT LOCATION TO BE DESIGNATED BY THE PARTY NOT MAKING THE INITIAL DEMAND FOR ARBITRATION. A JUDGMENT ON THE AWARD RENDERED BY THE ARBITRATOR SHALL BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. EACH PARTY AGREES TO PAY THEIR OWN ATTORNEYS' FEES AND COSTS AND EACH PARTY AGREES TO SHARE EQUALLY IN THE COST OF THE ARBITRATOR.

THE PARTIES ALSO AGREE TO WAIVE ANY RIGHT (I) TO PURSUE A CLASS ACTION ARBITRATION, OR (II) TO HAVE AN ARBITRATION UNDER THIS AGREEMENT CONSOLIDATED OR DETERMINED AS PART OF ANY OTHER ARBITRATION OR PROCEEDING. THE PARTIES AGREE THAT ANY DISPUTE TO ARBITRATE MUST BE BROUGHT IN AN INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE CAPACITY. IF ANY PART OF THIS ARBITRATION CLAUSE, OTHER THAN WAIVERS OF CLASS ACTION RIGHTS, IS FOUND TO BE UNENFORCEABLE FOR ANY REASON, THE REMAINING PROVISIONS SHALL REMAIN ENFORCEABLE. IF A WAIVER OF CLASS ACTION AND CONSOLIDATION RIGHTS IS FOUND UNENFORCEABLE IN ANY ACTION IN WHICH CLASS ACTION REMEDIES HAVE BEEN SOUGHT, THIS ENTIRE ARBITRATION CLAUSE SHALL BE DEEMED UNENFORCEABLE. IT IS THE INTENTION AND AGREEMENT OF THE PARTIES NOT TO ARBITRATE CLASS ACTIONS OR TO HAVE CONSOLIDATED ARBITRATION PROCEEDINGS. SHOULD THE PARTIES HAVE A DISPUTE THAT IS WITHIN THE JURISDICTION OF THE SMALL CLAIMS COURTS OF THE STATE OF FLORIDA, SUCH DISPUTE MAY BE RESOLVED AT THE ELECTION OF EITHER PARTY IN SMALL CLAIMS COURT RATHER THAN THROUGH ARBITRATION.

ANY MEMBER MAY REJECT THIS AGREEMENT TO ARBITRATE BY SENDING TO THE COOPERATIVE AT P.O. BOX 160 LIVE OAK, FLORIDA 32064, A NOTICE ("REJECTION NOTICE") WITHIN SIXTY (60) CALENDAR DAYS OF THE DATE OF THE ANNUAL MEETING WHERE THIS ARBITRATION AGREEMENT WAS ADDED TO THE BYLAWS OR WITHIN FOURTEEN (14) CALENDAR DAYS OF APPLYING FOR SERVICE WITH THE COOPERATIVE AS A NEW MEMBER, WHICHEVER DATE IS LONGER. YOUR REJECTION NOTICE MUST INCLUDE YOUR FULL NAME, YOUR CURRENT ADDRESS, YOUR CURRENT TELEPHONE NUMBER,

**AND THE ACCOUNT NUMBER, AND BE SIGNED BY YOU. THE REJECTION NOTICE MUST BE MAILED WITH RETURN RECEIPT REQUESTED TO: REJECTION NOTICE DEPARTMENT. IN THE EVENT OF ANY DISPUTE CONCERNING WHETHER A MEMBER HAS PROVIDED A TIMELY NOTICE OF REJECTION, THE MEMBER MUST PRODUCE THE SIGNED RECEIPT FOR MAILING THE REJECTION NOTICE. IN THE ABSENCE OF THE SIGNED RECEIPT, THE COOPERATIVE'S RECEIVED DATE STAMP ON THE REJECTION NOTICE SHALL BE CONCLUSIVE EVIDENCE OF THE DATE OF RECEIPT. THESE INSTRUCTIONS CONSTITUTE THE ONLY METHOD THAT A MEMBER CAN USE TO EXERCISE THE RIGHT TO REJECT THIS ARBITRATION PROVISION.**

**IF THE ARBITRATION CLAUSE IS DEEMED UNENFORCEABLE OR THE PARTIES OTHERWISE LITIGATE A DISPUTE IN COURT, THE PARTIES AGREE TO WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY PROCEEDING BROUGHT IN COURT.**

**Section 8. Reference to Gender.**

Any reference to the male gender in these Bylaws shall be construed to mean either male or female gender.

**Section 9. Reference to Days.**

For the purposes of these bylaws, all references to days shall mean calendar days unless otherwise stated to mean business days.