



Tallahatchie Valley Electric Power Association

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The aim of Tallahatchie Valley Electric Power Association (hereinafter called the "Cooperative") is to make electric energy available to its members at the lowest cost consistent with sound economy and good management.

BYLAWS

ARTICLE I

Members

Section 1. Qualifications and Obligations. Any person, firm, corporation or body politic may become a member in the Cooperative by:

- (a) paying the membership fee hereinafter specified
- (b) agreeing to purchase from the Cooperative electric energy as hereinafter specified; and
- (c) agreeing to comply with and be bound by the Mississippi Electric Power Association Act of 1936, as amended, by the certificate of incorporation of the Cooperative and these bylaws and any amendments thereto and such rules and regulations as may from time to time be adopted by the Board of Directors.

provided, however, that no person, firm, corporation or body politic shall become a member unless and until he or it has been accepted for membership by the Board of Directors or the members. At each meeting of the members, all applications received more than ninety (90) days prior to such meeting and which have not been accepted by the Board of Directors shall be submitted by the Board of Directors to such meeting of the members, and subject to compliance by the applicant with the conditions set forth in subdivisions (a), (b), and (c) of this section, such application for membership may be accepted by a vote of the members at such meeting. The Secretary shall give any such applicant at least ten (10) days prior notice of the date of the members' meeting to which his application will be submitted and such applicant may be present and heard at the meeting.

A husband and wife may jointly become a member and their application for a joint membership may be accepted in accordance with the foregoing provisions of the above subdivisions (a), (b), and (c).

Section 2. Membership Fee. The membership fee after July 1, 2000 shall be \$20.00. Electric energy supplied in connection with each separate or non-contiguous property for which service is taken and for each different class of service desired shall be separately metered; provided, however, that commercial and residential service may be metered together on the commercial rate if the commercial activity is carried on the premises of the owner.

Section 3. Service to Non-Members. The Cooperative shall render service to its members only; provided, however, that should the Cooperative acquire any electric facilities dedicated or devoted to the public use it may, for the purpose of continuing service and avoiding hardship and to an extent which shall not exceed forty-nine per centum (49%) of the total number of persons served by the Cooperative, continue to serve the persons served directly from such facilities at the time of such acquisition without requiring that such persons become members; and provided, further, that such non-members shall have the right to become members upon non-discriminatory terms.

Section 4. Purchase of Electric Energy. Each member shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy purchased for use on the premises referred to in the application of such member for membership and shall pay therefor monthly at such rates as shall be appropriately fixed by the Board of Directors. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the Cooperative. The electric energy which the Cooperative shall furnish to any member may be limited to such an amount as the Board of Directors shall from time to time determine. Each member shall pay to the Cooperative such minimum amount per month as shall be fixed by the Board of Directors from time to time regardless of the amount of electric energy consumed. Each member shall also pay all obligations which may from time to time become due and payable by such member to the Cooperative as and when the same become due and payable.

Section 5. Non-Liability for Debts of the Cooperative. The private property of the members of the Cooperative shall be exempt from execution for the debts of the Cooperative and no member shall be individually liable or responsible for any debts or liabilities of the Cooperative.

Section 6. Expulsion of Members. The Board of Directors of the Cooperative may, by the affirmative vote of not less than two thirds (2/3) of the members thereof expel any member who shall have violated or refused to comply with any of the provisions of the Mississippi Electric Power Association Act of 1936, as amended, or of the certificate of incorporation of the Cooperative or these bylaws or any rules and regulations adopted from time to time by the Board of Directors. Any member so expelled may be reinstated as a member by a vote of the members at any annual or special meeting of the members. The action of the members with respect to any such reinstatement shall be final.

Section 7. Transfer, Termination and Withdrawal of Memberships.

(a) When any member desires to transfer his membership to any other person who is qualified for membership in the Cooperative, he may assign the same according to the following procedure, unless the Board of Directors finds that it is not feasible for the Cooperative to extend service to the assignee:

(1) The assignor and assignee shall fill out an assignment blank which the Secretary shall make available, showing the location of the premises which has been served in connection with the membership the character and approximate amount of service which has been taken, the location of the premises for which the assignee desires service and the type of and approximate amount thereof which is desired:

(2) the assignor and assignee shall make satisfactory arrangements with the Board of Directors for the payment to the Cooperative of any obligations of the assignor to the Cooperative and for the making of any repairs or replacements which are required on the meter boxes or other facilities owned by the Cooperative and used in service to the premises in question

(3) the sum of fifty cents (\$.50) shall be paid to the Treasurer of the Cooperative to cover the expense of each assignment; and

(4) upon the assignment of any membership the assignor shall endorse the certificate of membership on the back of the same and the assignment shall be recorded on the books of the Cooperative. The assignment of a membership shall operate to transfer to the assignee all interest, rights, privileges, duties and obligations of the assignor, which shall thereafter be enjoyed and assumed by the assignee, and shall divest the assignor of all right, title and interest in the property and assets of the Cooperative.

(b) A membership may be transferred by a member to himself or herself and his or her spouse, as the case may be, jointly upon the written request of such member and compliance by such husband and wife jointly with the provisions with respect to transfers of membership set forth in paragraph (a) of this section. When a membership is held jointly by a husband and wife, upon the death of either, such membership shall be deemed to be held solely by the survivor with the same effect as though such membership had been originally issued solely to him or her as the case may be, and the joint membership certificate may be surrendered by the survivor and upon recording of such death on the books of the Cooperative, the certificate may be reissued to and in the name of such survivor; provided, however, that the estate of the deceased shall not be released from any membership debts or liabilities to the Cooperative.

(c) Upon the death, cessation of existence, or expulsion of a member the membership of such member shall thereupon terminate, and the certificate of membership of such members shall be surrendered forthwith to the Cooperative. Such termination of membership shall not release the member from the debts or liabilities of such member to the Cooperative.

(d) Any member may withdraw from membership upon payment in full of all debts and liabilities of such member to the Cooperative and upon compliance with such terms and conditions as the Board of Directors may prescribe.

Section 8. Change in premises to be served. Any member who moves from one location to another shall be entitled to receive service at his new location if

(a) the member notifies the Cooperative of his change in location, describing the new premises and the type of and approximate amount of service desired therefor;

(b) the new location is within the area of service of the Cooperative, as determined by the Board of directors; and

(c) Such member pays a reasonable connection charge the amount of which shall be determined by the board.

Section 9. Removal from Service Area of Cooperative.

(a) When in the judgment of the Board of Directors the financial condition of the Cooperative justifies it, the Board may authorize the repurchase of memberships from members who have disposed of premises served by

the Cooperative or removed from its service area.

(b) In case the Cooperative disposes of facilities which are necessary for the service of any members thereof, such members shall be notified of such disposition at least two (2) months in advance and shall be entitled to have their respective memberships repurchased by the Cooperative.

(c) Repurchased memberships shall be held by the Cooperative as treasury memberships and the board of directors may dispose of such treasury memberships upon non-discriminatory terms.

Section 10. Security Deposits. When the membership fee (or such meter deposit as may be required with respect to service to non-members) does not in the judgment of the Board of Directors constitute sufficient security for the payment of bills for electric energy, the Board of Directors may require such customer to post a deposit with the Cooperative in an amount deemed sufficient to secure such payment.

Section 11. Wiring. Service to any person may in the discretion of the Board of Directors be conditioned upon such person furnishing to the Cooperative the certificate of a reputable inspector stating that the wiring of the premises served or to be served complies with all local regulations and is in accordance with the latest rules and regulations of the National Electrical Code of the National Board of Fire Underwriters for the installing of electric wire, apparatus, and appliances and is in accordance with the wiring specifications prescribed by the Rural Electrification Administration. The requirement or waiver of such a certificate, however, or the supplying of service on the basis thereof shall not subject the Cooperative to liability to any member or other person for any damages or injuries sustained by reason of defects existing in the wiring of such premises.

Section 12. Easements for Cooperative's Lines. Members shall, without charge to the Cooperative, grant to it easements over land owned by them for the transmission and distribution lines of the Cooperative, and the Board of Directors may require from applicants for membership the return of any payments previously made to such applicants for easement.

Section 13. Removal of Directors and Officers. Any member may bring charges against an officer or director by filing them in writing with the Secretary, together with a petition signed by ten per cent (10%) of the members, requesting the removal of the officer or director in question. The removal shall be voted upon at the next regular or special meeting of the members and any vacancy created by such removal may be filled by the members at such meeting. The director or officer against whom such charges have been brought shall be informed in writing of the charges previous to the meeting and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence; and the person or persons bringing the charges against him shall have the same opportunity.

Section 14. Contributions to Capital. All amounts received and receivable from the furnishing of electric energy to members and non-members in excess of operating costs and expenses properly chargeable against the furnishing of electric energy are at the moment of receipt by the Cooperative, received with the understanding that such amounts are furnished by the members and non-members as capital. Capital contributed by members and non-members shall be used only for capital purposes including, without limitation, new electric system construction, the retirement of electric system indebtedness at or prior to maturity, and working capital adequate for all purposes including facilitation of general rate reductions. The Cooperative shall maintain such books and records as will enable it at any time to compute upon reasonable notice, the amount of capital contributed during any given period by each of its members and non-members.

ARTICLE II

Meeting of Members

Section 1. Annual Meeting. The annual meeting of the members shall be held on the first Friday in October of each year beginning with the year 1974 at such place in the City of Batesville, Panola County Mississippi as shall be designated in the notice of the meeting for the purpose of electing Directors and passing upon business as may come before the meeting. If the election of the Directors shall not be held on the day designated herein for any annual meeting, or any adjournment thereof, the Directors whose terms have expired shall automatically continue to serve for another term of three (3) years. Failure to hold the annual meeting at the designated time shall not result in a forfeiture or dissolution of the Cooperative.

Section 2. Special Meetings. Special meetings of the members may be called by the Board of Directors, by any three (3) directors, by the President, or upon a written request signed by at least ten per centum (10%) 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 at any place within the County of Panola, in the State of Mississippi, which may be 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, the purpose or purposes for which the meeting is called, shall be delivered not less than five (5) days or more than twenty-five (25) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or by the persons calling the meeting to each member. 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 prepaid. In case of a joint membership, notice given to either husband or wife shall be deemed notice to both joint members. 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. At all regular or special meetings of the members at least five percent (5%) of the members must be present in person or by proxy to constitute a quorum for the transaction of business.

Section 5. Voting. Each member shall be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members regardless of the number of memberships held by him. At all meetings of the members at which a quorum is present all questions shall be decided by a vote of a majority of the members voting thereon in person or by proxy, except as otherwise provided by law, the certificate of incorporation of the Cooperative or these bylaws. If a husband and wife hold a joint membership they shall jointly be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members.

Section 6. Proxies. At all meetings of members a member may vote by proxy executed in writing by the member. Such proxy shall be filed with the Secretary before or at the time of the meeting. Each member shall be mailed a proxy form along with notice of the annual meeting. A member may designate his or her spouse or any other member to vote said proxy at the annual meeting or any adjournment thereof. There shall be no limitation as to the number of proxies which can be voted by a member present at the meeting. No proxy shall be voted at any meeting of the members unless said proxy shall designate the particular meeting at which it is to be voted and no proxy shall be voted at any meeting other than the one so designated or any adjournment of such meeting. No proxy shall be valid after 60 days from the date of its execution. The presence of a member at a meeting of the membership shall automatically revoke a proxy previously executed by him and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if he had not executed a proxy. In case of a joint membership, a proxy may be executed by either husband or wife. The presence of either husband or wife at a meeting of the membership shall automatically revoke the proxy previously 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 proxy had not been executed.

Section 7. Order of Business. The order of business at annual meetings of the members, and so far as possible at all other meetings of the members, shall be essentially as follows:

1. Call of the roll or registration of member
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver of notice of the meeting as the case may be
3. Reading of unapproved minutes of previous meeting of the members and the taking of necessary action thereon
4. Presentation and consideration of, and acting upon, reports of officers, directors, and committee
5. Election of directors
6. Unfinished business
7. New business
8. Adjournments

Article III Directors

Section 1. General Powers. The business and affairs of the Cooperative shall be managed by a Board of nine (9) directors which shall exercise all of the powers of the Cooperative except such as are by law or by the certificate of incorporation of the Cooperative or by these bylaws conferred upon or reserved to the members. In order to achieve equitable representation on said board for the membership of said cooperative the certificated area of said Cooperative shall be divided into four districts as follows:

DISTRICT 1 - all portions of Tate County, Tunica County and that portion of Lafayette County lying North of Tallahatchie River.

DISTRICT II - all portions of Panola County.

DISTRICT III - all portions of Yalobusha County, Calhoun County and that portion of Lafayette County lying South of Tallahatchie River.

DISTRICT IV - all portions of Grenada County, Tallahatchie County and Quitman County.
Two of such Directors shall be members residing in District I,

Three of such Directors shall be members residing in District II,
Two of such Directors shall be members residing in District III, and
Two of such Directors shall be members residing in District IV.

Section 2. Qualifications and Tenure. At each annual meeting of the members, beginning with the 1968 meeting, directors shall be elected by ballot by and from the members as follows: One third to be elected for a term of one year, one third for a term of two years, and one third for a term of three years. Thereafter, all directors shall be elected for a term of three (3) years. No member shall be eligible to become or remain a director or to hold any position of trust in the Cooperative who is not a bona fide resident in the area served by the Cooperative, or who is in 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 plumbing appliances, fixtures or supplies to the members of the Cooperative, effective the first Monday in January, 1940, and no person shall take or hold office as a director who is the incumbent of or candidate for an elective public office in connection with which a salary is paid. When a membership is held jointly by a husband and wife – either one, but not both may be elected a director, provided, however, that neither one shall be eligible to become or remain a director or to hold a position of trust in the Cooperative unless both meet the qualifications hereinabove set forth. Nothing in this section contained shall, or shall be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors.

Section 3. Nominations. It shall be the duty of the Board of Directors to appoint not less than thirty (30) days nor more than seventy (70) days before the date of a meeting of the members at which directors are to be elected a committee on nominations consisting of not less than five (5) nor more than eleven (11) members who shall be selected so as to give equitable representation on the committee to the geographical areas served or to be served by the Cooperative. No officer or member of the Board of Directors shall be appointed a member of such committee. The committee shall prepare and post at the principal office of the Cooperative at least twenty (20) days before the meeting a list of nominations for directors, but, pursuant to Section 77-5-221 of the Mississippi Code of 1972, any 50 or more members may make other nominations in writing over their signatures not less than thirty (30) days prior to the meeting, and the Secretary shall post the same at the same place where the list of nominations made by the committee is posted. The Secretary shall mail with the notice of the meeting a statement of the number of directors to be elected and showing separately the nominations made by the committee on nominations and the nominations made by petition, if any. Nothing contained herein shall, however, prevent additional nominations to be made from the floor at the meeting of the members. The members may, at any meeting, at which a director or directors shall be removed, as herein before provided, elect a successor or successors thereto without compliance with the foregoing provision with respect to nomination. Notwithstanding anything in this section contained, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of directors.

Section 4. Vacancies. Vacancies occurring in the Board of Directors shall be filled by a majority of the remaining directors and directors thus elected shall serve the unexpired term of the vacancy which they are filling or until their successors shall have been elected and shall be qualified.

Section 5. Compensation. Directors shall not receive any fixed salary for their services but by resolution of the Board of Directors the members thereof may be reimbursed for expenses of attendance at all meetings, regular or special, all committee meetings, and any other meetings of the Board becoming necessary in the administration of the Association. In addition to these expenses the Board of Directors by resolution may authorize compensation to be paid such Directors for the time actually spent by them in the performance of their official duties, all as authorized by Section 77-5-221 of the Mississippi Code of 1972, as amended.

Section 6. Rules and Regulations. The Board of Directors shall have power to make and adopt such rules and regulations, not inconsistent with law, the certificate of incorporation of the Cooperative, or these bylaws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

Section 7. Accounting System and Reports. The accounts of the Cooperative shall be established and maintained in such form, subject to any contractual obligations of the Cooperative, as the Board of Directors may prescribe. All accounts of the Cooperative shall be examined by a committee of the Board of Directors which shall render reports to the Board of Directors at least four (4) times a year at regular meetings of the Board of Directors. The Board of Directors shall also within thirty (30) days after the close of each fiscal year cause to be made a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. Such audit reports shall be submitted to the members at the following annual meeting.

Section 8. Change in Rates. Written notice shall be given to the Administrator of the Rural Electrification

Administration of the United States of America and to each holder of long term indebtedness of the Cooperative not less than thirty (30) days prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy becomes effective and, subject however to then existing contractual obligations of the Cooperative as expressed in mortgages or deeds of trust, such proposed change shall not become effective until approved by not less than seventy-five per centum (75%) in principal amount of such long term secured indebtedness.

Section 9. Directors Emeritus. Any Board member who shall have served the Cooperative as such for a period of 12 years, whether consecutive or in broken tenure, and shall so desire, may, at his request, become a Director Emeritus; likewise, any Board member having served for a period as aforesaid, who becomes incapacitated by reason of physical or mental infirmities or disabilities, may, within the discretion of the Board of Directors, be declared to be a Director Emeritus by resolution of the Board, upon said Board finding that said Director has missed six (6) consecutive regular meetings of said Board due to such infirmities or disabilities or upon being furnished a certificate of a reputable and practicing physician in the State of Mississippi attesting to such mental or physical incapacity with such certificate specifying that said physician is of the opinion that such condition is disabling and has little probability of improving. Upon any such Board member becoming a Director Emeritus by either of the aforesaid methods, his position as Director shall be declared vacant and said vacancy be filled as provided by Article III, Section 4, of the Bylaws. Any Director Emeritus shall have all privileges and benefits as may accrue to regular Board members, excepting a vote at Board meetings and remuneration for services performed

Section 10. Indemnification and Liability Insurance.

The Association or its insurer shall indemnify any director, officer, or employee of the Association, including any former director, officer, or employee of the Association, who is or was a party or is threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative, by virtue of their position within the Association, for expenses, claims, liabilities, costs, judgments, fines, including attorney's fees reasonably incurred or imposed upon such person in connection with such actual or threatened action, suit, proceeding, or investigation and against any amount reasonably and with prior approval of the Board of Directors of the Association paid in settlement of any such actual or threatened suit, action, or proceeding.

(b) The purpose of this provision is to remove any financial risk in connection with the good faith service of a director, officer, or employee and to this end the Association shall secure and maintain adequate liability insurance covering such indemnification, expenses, and attorney's fees to the extent that it is reasonably available as determined by the Board and other provisions to the contrary notwithstanding, such indemnification as herein provided shall be provided at least to the extent of any applicable insurance coverage.

(c) There shall be no indemnification of any director, officer, or employee wherein the individual is adjudged by the Board of Directors to be guilty of misconduct, gross negligence, or illegal act or acts in the performance of his or her duties.

(c) The provisions of this Section shall be inapplicable to any action brought by the Association against any director, officer, or employee otherwise indemnified hereunder or in connection with any other proceeding charging improper personal benefit to the one so charged, whether or not involving action in any official capacity, in which they are adjudged liable on the basis that personal benefit was improperly received.

ARTICLE IV MEETINGS OF DIRECTORS

Section 1. Regular Meetings. A regular meeting of the Board of Directors shall be held without notice other than this bylaw, immediately after, and at the same place as the annual meeting of the members. A regular meeting of the Board of Directors shall also be held monthly at such time and place in Batesville, Panola County, Mississippi, as the Board of Directors may provide by resolution. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by the President or any three (3) directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place (which shall be in Panola County, Mississippi) for the holding of any special meeting of the Board of Directors called by them.

Section 3. Notice. Notice of the time, place and purpose of any special meeting of the Board of Directors shall be given at least three (3) days previous thereto, by written notice, delivered personally or mailed, to each director at his last known address. If mailed, such notice shall be deemed to be delivered when deposited in the

United States mail so addressed, with postage thereon prepaid. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except in case a director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

Section 4. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided, that if less than a majority of the directors is present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 5. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

ARTICLE V OFFICERS

Section 1. Number. The officers of the Cooperative shall be a President, Vice President, Secretary, and Treasurer, and such other officers as the Board of Directors may, from time to time, determine. The office of Secretary and Treasurer may be held by the same person.

Section 2. Election and Term of Office. The officers shall be elected, by ballot, annually by and from the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board of Directors following the next succeeding annual meeting of the members or until his successor shall have been duly elected and shall have qualified, subject to the provisions of these bylaws with respect to the removal of officers.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Cooperative will be served thereby.

Section 4. Vacancies. Except as otherwise provided in these bylaws, a vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President: (a) shall be the principal executive officer of the Cooperative and shall preside at all meetings of the members and of the Board of Directors and shall have the authority to appoint anyone to preside at an annual or special meeting of the members provided the person so appointed be a member; (b) shall sign with the Secretary certificates of membership, the issue of which shall have been authorized by resolution of the Board of Directors, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed, and (c) in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. 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 and shall perform such other duties as from time to time may be assigned to him by the Board of Directors.

Section 7. Secretary. The Secretary shall: (a) keep the minutes of the members and the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with these bylaws, or as required by law; (c) be custodian of the corporate records and of the seal of the Cooperative and see that the seal of the Cooperative is affixed to all certificates of membership prior to the issue thereof and to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these bylaws; (d) and keep a register of the post office address of each member which shall be furnished to the secretary by such member; (e) sign with the President certificates of membership, the issue of which shall have been authorized by resolution of the Board of Directors; (f) have general charge of the books of the Cooperative in which a record of the members is kept; (g) keep on file at all times a complete copy of the bylaws of the Cooperative containing all amendments thereto, which copy shall always be open to the inspection of any member, and at the expense of the Cooperative forward a copy of the bylaws and of all amendments thereto to each member; and (h) in general 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 Directors.

Section 8. Treasurer. The treasurer shall: (a) have charge and custody of and be responsible for all funds

and securities of the Cooperative; (b) receive and give receipts for moneys due and payable to the Cooperative from any source whatsoever and deposit all such moneys in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these bylaws and; (c) in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 9. Manager. The Board of Directors may appoint a manager who may be, but who shall not be required to be, a member of the Cooperative. The manager shall have general oversight, care and management of the property and business of the Cooperative and shall perform such additional duties; and have such additional authority as the Board of Directors may from time to time require of or vest in him, provided, however, that the manager shall always be subject to the direction and management of the Board of Directors through action taken at regular or special meetings of such board.

Section 10. Bonds of Officers. The Board of Directors shall require the Treasurer or any other officer of the Cooperative charged with responsibility for the custody of any of its funds or property, to give bond in such sum and with such surety as the Board of Directors shall determine. The Board of Directors in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine.

Section 11. Compensation. Except in emergencies the compensation, if any, of any officer, agent or employee who is also a director shall be determined by the members and the powers, duties and compensation of any other officers, agents and employees shall be fixed by the Board of Directors.

Section 12. Reports. The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year and showing the condition of the Cooperative at the close of such fiscal year.

Section 13. Nepotism. No close relative of a director, officer or the manager shall be a paid employee of the Cooperative.

ARTICLE VI

Contract, Checks and Deposits

Section 1. Contracts. Except as otherwise provided in these bylaws, the Board of Directors may authorize any officer or officers, agent or agents to enter into any contract to 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 by such officer or officers, agent or agents of the Cooperative and in such manner as shall from time to time be determined by resolution of the Board of Directors.

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

ARTICLE VII

Membership Certificates

Section 1. Certificates of Membership. Membership in the Cooperative shall be evidenced by a certificate of membership which shall be in such form and shall contain such provisions as shall be determined by the Board of Directors not contrary to, or inconsistent with, the certificate of incorporation of the Cooperative or these bylaws. Such certificates shall be signed by the President and by the Secretary of the Cooperative and the corporate seal shall be affixed thereto.

Section 2. Issue of Membership Certificates. No membership certificates shall be issued for less than the membership fee fixed in these bylaws nor until such membership fee has been fully paid for in cash, and such payment has been deposited with the Treasurer.

Section 3. Lost Certificates. In case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefor upon such terms and such indemnity to the Cooperative as the Board of Directors may prescribe.

ARTICLE VIII

Dissolution

In the event of dissolution of the Cooperative, its affairs shall be liquidated in the manner provided by law. The directors or officers in charge of such liquidation shall use the proceeds derived from liquidation to satisfy and discharge all outstanding liabilities and obligations of the Cooperative. To the extent permitted by law, any remaining proceeds of liquidation shall be disposed as follows: (a) The aggregate amount of capital contributed by members of the Cooperative during the period of its existence shall be determined and such remaining proceeds up to such aggregate amount shall be returned to such members in proportion to the respective amounts of capital contributed by them. (b) The remaining liquidation proceeds, if any, shall be distributed ratably among all members of the Cooperative during the period of its existence.

ARTICLE IX Disposition and Mortgage of Property

The Cooperative may not sell, mortgage, lease, or otherwise dispose of or encumber any of its property (other than (1) property of which in the judgment of the Board, is neither necessary nor useful in operating and maintaining the Corporation's system and which in any one (1) year shall not exceed ten percent (10%) in value of all of the property of the Corporation, or (2) merchandise), unless authorized so to do by the votes of at least a majority of its members; provided, however, notwithstanding anything herein contained or any other provision of these bylaws, the Board of Directors to the corporation, without authorization by the members thereof shall have full power and authority upon the affirmative vote of two-thirds (2/3) of the members constituting the full board to authorize the execution and delivery of a mortgage or mortgages 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 corporation, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom all upon such terms and conditions as the Board of Directors, upon the affirmative vote of two thirds (2/3) of the members constituting the full board shall determine, to secure any indebtedness of the corporation to the United States of America or any instrumentality or agency thereof, or to a national financing institution, organized on a cooperative plan for the purpose of financing its members' programs, projects and undertakings, in which the corporation holds membership.

ARTICLE X Waiver of Notice

Any member or director may waive, in writing, any notice of meetings required to be given by these bylaws.

ARTICLE XI Fiscal Year

The fiscal year of the Cooperative shall begin on the first day of July of each year and end on the thirtieth day of June of the following year.

ARTICLE XII Membership in Other Organizations

The Cooperative shall not become a member of any other organization without an affirmative vote of two thirds of the members of the Board of Directors at a regular meeting or a meeting called as provided by these bylaws.

ARTICLE XIII SEAL

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

ARTICLE XIV Amendments

These bylaws may be altered, amended or repealed by the affirmative vote of not less than two-thirds (2/3) of all of the directors at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment, or repeal.