

BYLAWS

Ben Lomand Rural
Telephone Cooperative, Inc.

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**AMENDED AND RESTATED
BY-LAWS
OF
BEN LOMAND RURAL
TELEPHONE COOPERATIVE, INC.**

**ARTICLE I
MEMBERSHIP**

SECTION 1.1. Eligibility

Any person, firm, association, corporation, or body politic is eligible to become a member and/or patron upon receipt of retail telephone service as defined by Tennessee Code Annotated ("TCA") Section 65-29-103(4) from the Cooperative at a premise within its established service area and the execution of a membership application in the form prescribed by the Board of Directors.

- (1) Such application shall include an agreement:
 - (a) to purchase telephone service as defined in TCA Section 65-29-103(4) and/or information services from the Cooperative as an end user of such services, in accordance with the rates, terms and conditions specified by the Cooperative; and
 - (b) to comply with and be bound by the Articles of Incorporation and By-Laws of the Cooperative and any rules and regulations adopted by the Board; and
 - (c) to pay any membership fee established by the board.
- (2) Purchasers of the Cooperative's services at wholesale, or otherwise for resale shall not be eligible for membership or patronage credits with respect to such wholesale services or retail services.
- (3) Upon acceptance of the application by the Board, membership shall become effective upon the date of commencement of service. Membership eligibility terminates upon disconnection of service; however, the Board may provide for suspension of service during periods of temporary absence of a member.

SECTION 1.2. Definition and Classifications.

- (1) The Cooperative may have one or more classes of members. If the Board establishes more than one class of membership, it shall determine the definitions,

the types, the qualifications and rights of each class, and make such information readily available to the membership.

- (2) No member may hold more than one membership of each class in the Cooperative. No membership in the Cooperative shall be transferable, except on the books of the Cooperative.
- (3) Each time sharing or interval ownership premise is considered as a single member. The corporation, partnership or other entity holding or managing the property will be deemed to hold the membership.
- (4) Validly created trusts may hold memberships in the Cooperative. Each trust that is a member shall designate one natural person to vote on all Cooperative matters.
- (5) Married couples may apply for a joint membership and, subject to their compliance with the requirements of Section 1.1 of this Article, may be accepted for such membership. The term "member" as used in these By-Laws shall be deemed to include a married couple holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holder of a joint membership shall be as follows:
 - a. The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
 - b. The vote of either separately or both jointly shall constitute one joint vote;
 - c. A waiver of notice signed by either or both shall constitute a joint waiver;
 - d. Notice to either shall constitute notice to both;
 - e. Expulsion of either shall terminate the joint membership;
 - f. Withdrawal of either shall terminate the joint membership;
 - g. Either, but not both, may be elected or appointed as an officer or director, provided that the candidate meets the qualifications for such office;
 - h. Upon the death of either spouse who is a party to the joint membership, such membership shall be converted to an individual membership.

However, the estate of the deceased shall not be released from any debts due the Cooperative.

Section 1.3. Membership Fees.

The Board, at its discretion, may determine to require a membership fee, which shall be uniform for each class of membership.

Section 1.4. Purchase of Services.

Each person who applies for membership shall subscribe to one or more services of the Cooperative as soon as service becomes available. The member and/or patron shall pay for such service monthly in accordance with rates established in tariffs or rate schedules as fixed by the Board. It is expressly understood that amounts in excess of cost received by the Cooperative for all telephone service as defined by TCA Section 65-29-103(4) and information services are furnished by members as capital from the moment of receipt, and each member and/or patron shall be credited with the capital so furnished as provided in Article VIII of these By-Laws. Each member and/or patron shall pay the above amounts owed by him or her to the Cooperative as and when the same shall become due and payable, unless protected by law, state or federal.

SECTION 1.5. Termination of Membership.

- (1) Any member and/or patron may withdraw from membership upon compliance with such uniform terms and condition as the Board may prescribe. The Board may, by the affirmative vote of not less than 2/3 of all the members of the Board, expel any member and/or patron who fails to comply with any of the provisions of the Articles of Incorporation, By-Laws, or rules and regulations adopted by the Board, but only if such member and/or patron shall have been given notice by the Cooperative that such failure makes him/her liable to expulsion and such failure shall have continued for at least ten (10) days after such notice was given. Any expelled member and/or patron may be reinstated by majority vote of the Board or by majority vote of the members at any annual or special meeting.
- (2) Upon the withdrawal, death, cessation of service or expulsion of a member, the membership of such member and/or patron shall thereupon terminate and will be so recorded on the books of the Cooperative. Termination of membership in any manner shall not release a member and/or patron of his/her estate from any debts due the Cooperative nor do unpaid bills release members from their obligations under these By-Laws or rules and regulations approved by the Board.
- (3) In case of withdrawal or termination of membership in any manner, the Cooperative shall, subject to Section 1.3, repay the member and/or patron the

amount of any membership fee credited to the member's account; provided, however, that the Cooperative shall deduct, from the amount of the membership fee, the amount of any debts or obligations owed by the member and/or patron to the Cooperative.

**ARTICLE II
RIGHTS AND LIABILITIES OF THE COOPERATIVE
AND THE MEMBERS**

SECTION 2.1. Service Obligations.

The Cooperative will use reasonable diligence to furnish adequate and dependable services, but it cannot and does not guarantee uninterrupted services, nor will it always be able to provide every service desired by each individual member.

SECTION 2.2. Cooperation of The Members and/or Patrons in the Extension of Services.

The cooperation of members and/or patrons of the Cooperative is imperative to the successful, efficient, and economical operation of the Cooperative. Members and/or patrons who are receiving or who are requesting service shall be deemed to have consented to the reasonable use of their real property to construct, operate, maintain, replace or enlarge telephone and/or communications lines, overhead or underground, including all conduit, cable, wires, surface testing terminals, markers and other appurtenances under, through, across, and upon any real property or interest therein owned or leased or controlled by said member and/or patron for the furnishing of telephone or communication service to said member and/or patron, or any other member and/or patron, at no cost to the Cooperative. When requested by the Cooperative the member and/or patron does agree to execute any easement or right-of-way contract on a form to be furnished by the Cooperative.

SECTION 2.3. Nonliability for Debts of the Cooperative.

The private property of the members shall be exempt from the execution or other liability for the debts of the Cooperative and no member and/or patron shall be liable or responsible for any debts or liabilities of the Cooperative.

SECTION 2.4. Property Interest of Members Upon Dissolution.

Upon dissolution, after:

- (1) All debts and liabilities of the Cooperative shall have been paid;
- (2) All Capital furnished through patronage shall be retired as provided in these By-Laws; and

- (3) All membership fees, if any, shall have been repaid, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each member and former member bears to the total patronage of all such members and such former members on the date of dissolution unless otherwise provided by TCA Section 65-29-118.

ARTICLE III MEETINGS OF THE MEMBERS

SECTION 3.1. Annual Meeting.

The annual meeting of the members shall be held each year in the County of Warren, State of Tennessee, as shall be designated in the notice of the meeting, for the purpose of electing directors, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the Board to make adequate plans and preparations for the annual meeting. The Board shall, by resolution, designate the date, time and place the meeting will be held. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

SECTION 3.2. Special Meetings.

Special meetings of the members may be called by the Board, or upon the request of any three directors, or by the President, or by not less than ten percent 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 with the County of Warren, State of Tennessee, specified in the notice of the special meetings.

SECTION 3.3. Notice of Members' Meetings.

Written notice stating the place, date and hour of the annual meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not less than five (5) days nor more than forty (40) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member and/or patron at his or her address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member and/or patron 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 3.4. Postponement of a Meeting of the Members.

In the event of inclement weather or the occurrence of a catastrophic event, the meeting of the members may be postponed by the President, Vice President or the Board. Notice of the postponed meeting shall be given by the President in any media of general circulation or broadcast serving the area.

SECTION 3.5. Quorum.

A quorum shall consist of the presence in person of two (2%) percent of all members of the Cooperative or fifty (50) members, whichever is less, for the transaction of business at all meetings of the members, unless the business to be transacted requires by Chapter 330, Public Acts of Tennessee, 1961, TCA Section 65-29-101 to 65-29-133, and amendments thereto), a larger percentage to transact the particular business before the 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. A list of members present in person shall be attached to the minutes of any regular or special meeting of the members as an exhibit, but shall not constitute a part of the minutes.

SECTION 3.6. Credentials and Election Committee.

- (1) The Board of Directors may, at least ten (10) days before any meeting of the members, appoint a credentials and election committee consisting of an uneven number of Cooperative members – not less than five (5), not more than fifteen (15), who are not existing Cooperative employees, agents, officers, Directors or known candidates for Director, and who are not close relatives (as hereinafter defined) or members of the same household thereof. In appointing the Committee, the Board shall have regard for the equitable representation of the geographic areas served by the Cooperative. The committee may elect its own chairman and secretary prior to the member meeting.
- (2) It shall be the responsibility of the Committee to establish or approve the manner of conducting member registration and any ballot or other voting, to pass upon all questions that may arise with respect to the registration of members in person, or by proxy to count all ballots or other votes cast in any election or in any other matter, to rule upon the effect of any ballots or other vote irregularity or indecisively marked or cast, to rule upon all other questions that may arise relating to member voting and the election of directors (including but not limited to the validity of petitions of nomination of the qualification of candidates and the regularity of the nomination and election of directors), and to pass upon any protest or objection filed with respect to any election or conduct affecting the results of any election. In the exercise of its responsibility, the Committee shall have available to it the advice of counsel provided by the Cooperative.

- (3) Any protest or objection concerning any election must be filed within three (3) business days following the adjournment of the meeting in which the voting is conducted. The committee shall thereupon be reconvened, upon notice from its chairperson, not less than seven (7) days after such protest or objection is filed. The committee shall hear such evidence as presented by the protester(s) or objectors(s), who may be heard in person, by counsel, or both, and any opposing evidence; and the Committee, by a vote of a majority of those present and voting, shall, within a reasonable time, but not later than thirty (30) days after such hearing, render its decision, the result of which may be to affirm the election, to change the outcome thereof, or to set it aside.
- (4) The Committee may not affirmatively act on any matter unless a majority of the Committee is present. The Committee's decision (as reflected by a majority of those actually present and voting) on all matters covered by this section shall be final.

SECTION 3.7. Voting at Meetings.

- (1) Each member and/or patron shall be entitled to only one (1) vote upon each matter submitted to a vote at a meeting of the members. Cumulative voting is not permitted. All issues with respect to voting shall be governed according to the latest edition of Robert's Rules of Order used by the Cooperative unless otherwise specified by law or the Articles of Incorporation. Voting by members other than members who are natural persons shall be allowed upon presentation to the Cooperative, prior to each member meeting, satisfactory evidence entitling the person presenting the same to vote.
- (2) All questions, except those involving multiple choice issues or determinations, 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 Articles of Incorporation, or these By-Laws. Multiple choice issues or determinations shall be decided by a plurality vote. In the election of directors, a voice vote may be permitted if there is no competition for the seat or seats to be filled.

SECTION 3.8. Proxies.

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. No proxy shall be valid after sixty days from the date of its execution. No proxy shall be valid unless it 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. A member may give his/her proxy only to another member or to an adult relative living in the same home with such member, and no person may hold more than one proxy at any meeting. The presence of a member at a meeting shall revoke a proxy theretofore executed by him/her and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if he/she had not executed a proxy.

Section 3.9. Order of Business.

The order of business at the annual meeting of the members and, so far as possible at all other meetings of the members, shall be conducted under policies established by the Board and under an agenda essentially as follows, except as otherwise determined by the members at such meeting:

- (1) Report on the number of members present in person in order to determine the existence of a quorum;
- (2) Reading of the Notice of the Meeting or the waiver or waivers of Notice of Meeting, as the case may be;
- (3) Approval of the minutes of the previous annual meeting;
- (4) Audit report of outside auditors or a summary thereof;
- (5) Election of Directors
- (6) Presentation and consideration of reports of officers, trustees, and committees;
- (7) Unfinished business;
- (8) New Business;
- (9) Adjournment.

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

ARTICLE IV BOARD OF DIRECTORS

SECTION 4.1. General Powers.

The business and affairs of the Cooperative shall be managed by a Board of nine Directors which shall exercise all of the powers of the Cooperative except such as are

by law, the charter, the Articles of Incorporation, or these By-Laws conferred upon or reserved to the members.

SECTION 4.2. Election Process

Directors shall be elected by a printed ballot or voting machine at each annual when there is competition for the Board seat(s) to be filled. They shall be elected by and from the members to serve a three (3) year term, or, until their successors shall have been elected and shall have qualified. The terms of the directors shall be staggered to insure continuity. If an election of directors shall not be held on the day of the annual meeting or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing directors at a reasonable time thereafter. Directors shall be nominated and elected as provided hereinafter.

SECTION 4.3 Board Election Areas and Tenure of Office.

The Cooperative is divided into nine (9) areas and from each shall be elected one Director to the Board by the entire Membership. Beginning with the annual meeting for the year 1973, there shall be elected one director from Warren County, to be known as Area 1, for a term of 3 years; one director from Grundy or Marion County, to be known as Area 2, for a term of 3 years; one director from Coffee, Rutherford, Bedford, or Franklin Counties, to be known as Area 3, for a term of 3 years; one director from White or DeKalb Counties, to be known as Area 4, for a term of 2 years; one director from Van Buren County, to be known as Area 5, for a term of 2 years; one director from Warren County to be known as Area 9, for a term of 2 years; one director from White or Putnam County, to be known as Area 6, for a term of 1 year; one director from Coffee County, to be known as Area 7, for a term of 1 year; and one director from Grundy County, to be known as Area 8, for a term of 1 year, all directors elected in 1973 to serve until their successors have been elected and qualified. Beginning with the annual meeting of 1974 and at each annual meeting thereafter there shall be elected three directors for those directors whose terms shall have expired and they shall come from the area of the directors whose term expires, said director so elected to serve for three years or until their successor shall have been elected and qualified, subject to the provisions of these By-laws with respect to the removal of directors. If an election of directors shall not be held on the day designated by the Board for the annual meeting, or any adjournment thereof, a special meeting of the members shall be held for the purpose of electing directors within a reasonable time thereafter.

SECTION 4.4. Qualifications to be Nominated, to Become, or Remain a Director.

- (1) Any member and/or patron eighteen (18) years of age or older shall be eligible to be nominated, elected, and remain a Director of the Cooperative provided that he/she:

- a. Resides in the geographic area from which he or she is elected, and has resided there for more than two hundred and forty (240) days during the last twelve (12) month period.
 - b. Is not an employee or former employee of the Cooperative, or in any material way financially interested in a competing enterprise or business engaged in selling communication and/or maintaining communication facilities. The Board may, by general rule or in particular circumstances, determine which interests in competing enterprise are material.
 - c. Is not closely related to an incumbent Director or an employee of the Cooperative. As used here, "closely related" means a person who is related to the principal person by blood or marriage, to the second degree or less – that is, a person who is either a spouse, child, grandparent, parent, brother, sister, aunt, uncle, nephew, or niece, by blood or in law, of the principal. However, no incumbent Director shall lose eligibility to remain a Director or to be re-elected as a Director if he/she later becomes a close relative of another incumbent Director or of a Cooperative employee because of a marriage to which he/she was not a party; neither shall an employee lose eligibility to continue in the employment of the Cooperative if he or she becomes a close relative of a Director because of a marriage to which he or she was not a party.
 - d. Notwithstanding the foregoing, the Cooperative shall adopt a written policy which will govern the application in practice of this By-law Section to assure no employee will suffer unjust or unreasonable discrimination because of marital status.
- (2) To remain a Director, the incumbent must attend two-thirds (2/3) or more of the regular meetings during each twelve-month period, beginning with the month of his/her election, with the exception of major illness or service in the military. Upon establishment of the fact that a Director or nominee is in violation of any of the provisions of this Section, that office shall be deemed vacant or the nomination shall be deemed void.
- (3) Nothing in this Section shall affect, in any manner whatsoever, the validity of any action taken at any meetings of the Board.

SECTION 4.5. Nominations.

It shall be the duty of the Board to appoint, not less than one hundred twenty (120) nor more than one hundred fifty (150) 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 from not less than five (5) different areas so as to insure equitable representation. No member of the

Board may serve on such committee. The committee, keeping in mind the principle of geographical representation, shall prepare and post at the principal office of the Cooperative at least seventy five (75) days before the meeting a list of nominations for directors which shall include at least one candidate for each director to be elected. Any fifteen (15) or more members acting together may make other nominations by petition not less than sixty (60) days prior to the meeting and the Secretary shall post such nominations 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, or separately, but at least five (5) days before the date of the meeting, a statement of the number of directors to be elected and the names of the candidates, specifying separately the nominations made by the committee and the nominations made by petition, if any. The ballot to be used at the elections shall list the names of the candidates nominated by the committee and the names of the candidates nominated by petition, if any.

SECTION 4.6. Election of Directors.

- (1) Contested elections of Directors shall be by a form of printed ballot or by voting machine. The ballot shall list the names of the candidates nominated by the committee and by petition with such names arranged by areas.
- (2) Each member and/or patron of the Cooperative present in person at the meeting, or present through proxy, shall be entitled to vote for one (1) candidate from each area from which a Director is to be elected or on any issue before the meeting. The candidate from each area from which a Director is to be elected receiving a plurality of votes cast for that office at such meeting shall be declared elected as a Director. Failure of an election for a given year shall allow the incumbent Directors whose directorships would have been voted on to hold over only until the next member meeting at which a quorum is present.

SECTION 4.7. Removal of Director by Members.

Any member and/or patron may bring charges against a director and, by filing with the Secretary such charges in writing, together with a petition signed by at least ten percent of the members, or two hundred members, whichever is the lesser, may request the removal of such director by reason thereof. Such director shall be informed in writing of the charges at least twenty days prior to the meeting of the members at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect to the charges; and the person or persons bringing the charges against him/her shall have the same opportunity. The question of the removal of such director shall be considered and voted upon at the meeting of the members. Any vacancy created by such removal may be filled by voted upon at the meeting of the members. Any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to the nominations.

SECTION 4.8. Vacancies.

Subject to the provisions of these By-laws, with respect to the filling of vacancies caused by death, resignation or removal of directors, a vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining directors for the unexpired portion of the term, provided, however, that in the event the vacancy is not filled by the board within sixty (60) days after the vacancy occurs, the members shall have the right to fill such vacancy at an annual meeting or a special meeting called for that purpose.

SECTION 4.9. Compensation and Benefits of Board of Directors.

- (1) No director shall receive compensation for service to the Cooperative in any other capacity, nor shall any close relative of a director receive compensation for serving the Cooperative, unless the payment and amount of compensation shall be specifically authorized by a vote of the members or the service by the director or his/her close relative shall have been certified by the Board as an emergency measure. For purpose of this section, "close relative" includes grandparent, parent, husband, wife, child, grandchild, brother, sister, aunt, uncle, nephew, and niece, by blood, by marriage, or by adoption, and spouse of any of the foregoing. The written policy adopted by the Board on nepotism shall also govern here.
- (2) Directors who elect to participate may be extended various forms of liability and accident insurance as well as participation in benefits provided to employees, except for benefits based on salary.
- (3) Directors shall, as determined by resolution of the Board, receive a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences, and training programs, or performing committee assignments when authorized by the Board. If authorized by the Board, Directors may also be reimbursed for expenses actually and necessarily incurred in carrying out such Cooperative business, or granted a reasonable per diem allowance by the Board in lieu of detailed accounting for some of these expenses.

SECTION 4.10. Rules, Regulations, Rate Schedules and Contracts.

The Board of Directors shall have power to make, adopt, amend, abolish and promulgate such rules, regulations, rate classifications, rate schedules, contracts, security deposits or any other types of deposits, payments or charges including contributions in aid of construction, not inconsistent with law or the Certificate of Incorporation or By-Laws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative, or cause such to be submitted for any appropriate governmental-regulatory approval.

SECTION 4.11. Accounting Systems and Audits.

The Board of Directors shall cause to be established and maintained a complete accounting system of the Cooperative's financial operations and condition, and shall, after the close of each fiscal year, cause to be made a full, complete and independent audit of the Cooperative's accounts, books and records reflecting financial operations during, and financial condition as of the end of, such year. A full and accurate summary of such audit reports shall be submitted to the members at, or prior to, the succeeding annual meeting of the members. The Board may authorize special audits, complete or partial, at any time and for any specified period of time.

Article V MEETINGS OF THE BOARD

SECTION 5.1. Regular Meetings.

- (1) A minimum of at least ten (10) regular meetings shall be held each year at such time and place as designated by the Board. Such regular meeting may be held without notice other than a resolution of the Board fixing the time and place thereof.
- (2) A regular meeting of the Board may be held without notice, immediately before or after, and at the same place as, the annual meeting of the members if this is deemed convenient by a majority of the Board as constituted at the annual meeting.
- (3) Regular or special meetings may be conducted through the use of conference telephone or other communications equipment by means of which all persons participating in the meetings can communicate with each other. Such participation will constitute attendance and presence in person at the meeting of the persons so participating.

SECTION 5.2. Special Meetings.

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

SECTION 5.3. Notice of Board Meetings.

Written notice of the time, place (or telecommunications conference event) and purpose of any special meeting of the Board shall be delivered to each Director personally or by mail, or at the direction of the Secretary, or upon default in duty by the Secretary, by the President or one of the Directors calling the meeting. If mailed, such notice shall be

deemed to be delivered when deposited in the United States Mail, addressed to the Director at his/her address as it appears on the records of the Cooperative, with first-class postage thereon prepaid, at least five (5) business days before the date set for the meeting.

SECTION 5.4 Quorum.

A majority of the Board shall constitute a quorum, provided that if less than such majority of the Board is present at said meeting, a majority of the Board present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify absent Directors of the time and place of such adjourned meeting. The act of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in these By-Laws or by the parliamentary procedure or special rules adopted by the Cooperative. Directors may not vote by proxy at regular or special Board meetings.

Article VI OFFICERS

SECTION 6.1. Number and Titles.

The officers of the Cooperative shall be a President, Vice President, Secretary, Treasurer, and such other officers as may be determined by the Board from time to time.

The offices of Secretary and Treasurer may be held by the same person.

SECTION 6.2. Election and Term of Office.

- (1) The officers shall be elected by ballot, if there is a contest and if not, by voice vote or any other method designated by the person presiding. They shall be elected annually by and from the Board at the meeting of the Board held immediately after the 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.
- (2) Each officer shall hold office until the first meeting of the Board following the next succeeding annual meeting of the members, or until a successor shall have been elected and shall have qualified. Except as otherwise provided in these By-Laws, a vacancy in any office shall be filled by the Board for the unexpired portion of the term.

SECTION 6.3. Removal of Officers and Agents by the Board.

Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interest of the Cooperative will be served thereby. In addition, any member and/or patron of the Cooperative may bring charges against an

officer, and by filing with the Secretary such charges in writing together with a petition signed by ten percent of the members, or two hundred members, whichever is the lesser, may request the removal of such officer. The officer against whom such charges have been brought shall be informed in writing of the charges at least twenty days prior to the Board meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect to the charges; and the person or persons bringing the charges against him/her shall have the same opportunity. In the event the Board does not remove such officer, the question of his/her removal shall be considered and voted upon at the next meeting of the members.

SECTION 6.4. President.

The President shall:

- (1) Be the principal executive officer of the corporation and unless otherwise determined by the Board, shall preside at all meetings of the members and the Board;
- (2) Sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these By-Laws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- (3) In general perform all duties incident to the office of the President and such other duties as may be prescribed by the Board from time to time.

SECTION 6.5. Vice President.

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

SECTION 6.6. Secretary.

The Secretary shall be responsible for:

- (1) Keeping the minutes of the meetings of the members and of the Board in books prepared for that purpose;
- (2) Seeing that all notices are duly given in accordance with these By-Laws or as required by law;

- (3) The safekeeping of the corporate books and records and the Seal of the Cooperative and affixing the Seal of the Cooperative to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with provisions of these By-Laws;
- (4) Keeping a register of the names and post office addresses of all members;
- (5) Keeping on file at all times a complete copy of the Articles of Incorporation and By-Laws of the Cooperative containing all amendments thereto and at the expense of the Cooperative, furnishing a copy of these By-Laws and of all amendments thereto to each member; and
- (6) In general performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the Board.

SECTION 6.7. Treasurer.

The Treasurer shall be responsible for:

- (1) Custody of all funds and securities of the Cooperative;
- (2) The receipt of and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit of all such monies in the name of the Cooperative in such financial institutions as shall be selected in accordance with the provisions of these By-Laws; provided, however, that the Treasurer shall have authority, with the approval of the Board, to delegate to the Chief Executive Officer the authority to appoint employees of the Cooperative to actually carry out the responsibilities set for in this Section; and
- (3) The general performance of all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the Board; provided, however, with respect to the duties and responsibilities of the Treasurer, the Cooperative shall indemnify and hold the Treasurer harmless against any and all losses, claims and/or damages which may be asserted against the Treasurer, in his/her official capacity, unless such claim is a result of an act personally committed or omitted by the Treasurer resulting in loss to the Cooperative.

SECTION 6.8. Chief Executive Officer.

The Board may appoint or elect a Chief Executive Officer, who may be, but who shall not be required to be, a member and/or patron of the Cooperative. The Chief Executive Officer shall perform such duties as the Board may from time to time require and shall

have authority as the Board may from time to time vest in him/her. The Board may, by resolution, designate the person holding this position as an official of the Cooperative, as well as an employee.

SECTION 6.9. Bonds.

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

SECTION 6.10. Compensation.

The powers, duties and compensation of officers, agents and employees shall be fixed or approved by the Board, subject to Section 4.9 of these By-Laws with respect to compensation of Directors.

SECTION 6.11. Reports

The officers of the Cooperative shall submit, at each annual meeting of the members, reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VII

INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS

SECTION 7.1 Indemnification of Parties to Legal Proceedings.

- (1) The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigation (other than an action by, or in the right of the Cooperative) by reason of the fact that such person is or was a Director, officer, employee, or agent of the Cooperative or who is or was serving at the request of the Cooperative as a Director, officer, employee, or agent of another Cooperative, association, corporation, partnership, joint venture, trust, or other enterprise, against expenses, (including attorneys' fees) adjustments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding; provided such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct of such person was unlawful.

- (2) The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon pleas of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believe to be in, or not opposed to, the best interest of the Cooperative, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct of such person was unlawful.

SECTION 7.2. Indemnification of Parties to Actions by or in Right of Cooperative.

- (1) The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to, any threatened, pending, or completed action or suit by, or in the right of, the Cooperative to procure a judgment in its favor by reason of the fact that such person is, or was, a Director, officer, employee, or agent of the Cooperative or is, or was, serving at the request of the Cooperative as a Director, officer, employee, or agent of another Cooperative, association, corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith, and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative.
- (2) No indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of the duty of such person to the Cooperative, unless, and only to the extent that the Court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity of such expenses as the court shall deem proper.

SECTION 7.3. Indemnification of Person Successfully Defending.

To the extent that a Director, officer, employee, or agent of the Cooperative has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Sections 7.1 and 7.2, in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by such person in connection therewith.

SECTION 7.4. Indemnification Determinations.

Any indemnification under Section 7.1 and 7.2 (unless ordered by a court) shall be made pursuant to TCA Section 48-58-506.

SECTION 7.5 Expenses Advanced.

Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Cooperative in advance of the final disposition of such action, suit, or proceeding, as authorized by the Board in the specific case, upon receipt of a firm commitment by or on behalf of the Director, officer, employee, or agent to repay such amount, unless it shall ultimately be determined that he/she is entitled to be indemnified by the Cooperative as authorized in this Article.

SECTION 7.6 Rights of Persons Indemnified.

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law, agreement, vote of members or disinterested Directors, or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee, or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 7.7 Insurance Coverage.

The Cooperative may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a Director, officer, employee, or agent of another Cooperative, association, corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of the status of such person as such, whether or not the Cooperative would have the power to indemnify such person against such liability under the provisions of this Article.

ARTICLE VIII NON-PROFIT OPERATION

SECTION 8.1. Interest or Dividends on Capital Prohibited.

The Cooperative shall at all times be operated on a Cooperative non-profit basis for the mutual benefit of its patrons and/or members. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons and/or members.

SECTION 8.2 Patronage Capital in Connection with Furnishing Telecommunications and Information Services.

(1) In the furnishing of telecommunications and information services, the Cooperative's operations shall be so conducted that that all patrons and/or members will, through their patronage, furnish capital for the Cooperative. In

order to induce patronage and to insure that the Cooperative will be operated on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its patrons and/or members for all amounts received and receivable from the furnishing of telecommunications and information services in excess of operating costs and expenses properly chargeable against the furnishing of such services. All such amounts in excess of operating costs and expenses for telecommunications and information services at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons and/or members as capital.

- (2) The Cooperative is obligated to pay by credits to capital account for each patron all such amounts in excess of operating costs and expenses derived from telecommunication and information services. 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 the patron for telecommunications and information services is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Cooperative shall within reasonable time after the close of the fiscal year notify each patron of the amount of the capital so credited to the patron's account. All such amounts credited to the capital account of any patron shall have the same status as though it had been paid to the patron in cash in pursuance of legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for the capital.
- (3) All nonoperating margins except those derived from furnishing goods and services other than telecommunications and/or information services, shall, insofar as permitted by law, be used to offset any losses during the current or any prior fiscal year and, to the extent not needed for that purpose, either:
 - a. Allocated to its patrons and/or members on a patronage basis and any amount so allocated shall be included as part of the capital to be allocated to the accounts of the various classes of patrons and/or members in an equitable manner as approved by the Board, or
 - b. Used to established and maintain a nonoperating margin reserve not assignable to patrons and/or members prior to dissolution of the Cooperative.
- (4) If, at any time prior to dissolution or liquidation, the Board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to patrons and/or members' accounts may be retired in full or in part. All allocations and retirements of capital shall be at the discretion and direction of the Board as to kind, timing, method, and type of assignment and distribution.

- (5) In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis before any payments are made on account of property rights of members.
- (6) Capital credited to the account of each patron shall be assignable only on the books of the Cooperative, pursuant to written instruction from the assignor and only to successors in interest, or successors in occupancy, in all or in a part of such patrons' and/or members' premises served by the Cooperative, unless the Board, acting under policies of general application, shall authorize other types of assignments. Patrons and/or members at any time may assign their capital credits back to the Cooperative and the Cooperative is authorized to negotiate capital credit settlements arrangements with bankrupt patrons and/or members.
- (7) Notwithstanding any other provision of these By-Laws, the Board, at its discretion, shall have the power at any time upon the death of any natural patron, if the legal representative of his or her estate shall request in writing, that the capital credited to any such patron be retired prior to the time such capital would be retired in a general retirement under provisions of these By-Laws, to retire capital credited to any such patron immediately upon such terms and conditions as the Board, acting under policies of general application, and the legal representative of such patron's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.
- (8) When the capital credits of any patron no longer receiving service from the Cooperative comes to a total amount of less than a fixed sum determined by the Board of Directors, the same shall be retired in full with such retirements made only when and at the same time that a general retirement to other patrons and/or members is made. During a general capital credit retirement, no checks shall be issued for less than a fixed amount determined by the Board, and the amount of such unretired capital credits will be retired in the first following year, when the total amount of capital credits qualifying for retirement exceeds the amount set by the Board, including the amount carried over.
- (9) All tax refunds made by the United States Government or any of the states in connection with the final or true cost of service as determined by the capital credits allocations process may be held and used by the Cooperative as furnished patronage capital and shall be treated in the same manner as furnished capital set out in this Section of these By-Laws.
- (10) The patrons and/or members of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the Articles of Incorporation and By-Laws shall constitute and be a contract both between the Cooperative and each patron, and further, between all the patrons and/or members themselves individually. Both the Cooperative and the patrons and/or members are bound by such contract, as fully as though each patron had

individually signed a separate instrument containing such terms and provisions with the Cooperative and each of its patrons and/or members. The provisions of this Article of the By-Laws shall be called to the attention of each patron of the Cooperative by posting in a conspicuous place in the Cooperative's office or by publication distributed by the Cooperative to its patrons and/or members.

- (11) The obligation of the Cooperative to account for and make allocations of capital furnished by patrons and/or members as established in this Section shall apply only to the furnishing of retail services to end user patron and/or members.

**ARTICLE IX
DISPOSITION AND PLEDGING OF PROPERTY DISSOLUTION AND DISTRIBUTION
OF SURPLUS ASSETS UPON DISSOLUTION**

SECTION 9.1. Disposition and Pledging of Property.

- (1) The Cooperative may not sell, mortgage, lease or otherwise dispose of or encumber all or any substantial portion of its total assets unless such sale, mortgage, lease, or other disposition or encumbrance is:
- a. Authorized at a meeting of the then – total members by the affirmative vote cast in person, without proxies, of at least two-thirds (2/3) of the total members of the Cooperative, and
 - b. Authorized by the holders of at least seventy-five percent (75%) of the outstanding indebtedness of the Cooperative, and
 - c. Proceeded by a notice of meeting at which such sale, mortgage, lease or other disposition or encumbrance is to be voted on.
- (2) Notwithstanding the foregoing provisions of this Section, the members of the Cooperative may, by the affirmative majority of votes cast in person or by proxy at any meeting of the members, delegate to the Board the power and authority:
- a. To borrow monies from any source and in any such amounts as the Board may from time to time determine are needed in pursuit of the Cooperative's business purposes, and
 - b. To mortgage or otherwise pledge or encumber any and all of the Cooperative's property or assets as security therefor, and
 - c. With respect to other Cooperative organizations only, to sell and lease back all of the Cooperative's property or assets.

(3) In addition to the foregoing paragraphs of this Section and any other applicable provisions of law or these By-Laws, no sale, lease, lease-sale, exchange, transfer, or other disposition within a single calendar year of a substantial portion of the physical plant of the Cooperative, based upon the most recent audit of the Cooperative, shall be authorized except in conformity with the following:

- a. If the Board looks with favor upon any proposal for such sale, lease, lease-sale, exchange, transfer, or other disposition, it shall first cause three (3) independent nonaffiliated appraisers, expert in such matters, to render their individual opinions as to the value of the Cooperative with respect to such a sale, lease, lease-sale, exchange, transfer, or other disposition, and as to any other terms and conditions which should be considered. The three (3) independent appraisers shall be designated by a district court resident judge for the Judicial District in which the Cooperative's headquarters are located. If such judge refuses to make such designations, they shall be made by the Board.
- b. If the board, after receiving such appraisals (and other terms and conditions which are submitted if any), determines that the proposals should be submitted for consideration by members, it shall first give, by notice in appropriate publications, other Cooperatively organized entities an opportunity to submit competing proposals. Any interested Cooperatively organized entity shall be sent copies of any proposals which the Cooperative has already received and copies of the respective reports of the three (3) appraisers. Such other interested Cooperatively organized entities shall be given not less than thirty (30) days during which to submit competing proposals, and the actual minimum period within which proposals are to be submitted shall be stated in written notice given to them.
- c. If the Board then determines that favorable consideration should be given to the initial or any subsequent proposal which has been submitted to it, it shall so notify the members not less than sixty (60) days before noticing a special meeting of the members thereon or if such be the case, the next annual member meeting, expressing in detail each of any such proposals, and shall call a special meeting of the members for consideration thereof and action thereon, which meeting shall be held not less than (10) nor more than thirty (30) days after giving the Notice thereof to the members: provided that consideration and action by the members may be given at the next annual meeting if the Board so determines and if such annual meeting is held not less than (10) nor more than thirty (30) days after the giving of notice of such meeting.
- d. Any fifty (50) or more members, by so petitioning the Board not less than thirty (30) days prior to the date of such special or annual meeting, may cause the Cooperative, with the cost to be borne by the Cooperative, to

mail to all members any opposing or alternative positions which they may have to the proposals that have been submitted or any recommendations that have been submitted or any recommendations that the Board has made.

(4.)The provisions of (1), (2), and (3) above shall not apply to a sale, lease, lease-sale, exchange, transfer, or other disposition to one or more telephone or electric cooperatives if the substantive or actual legal effect thereof is to merge or consolidate with such other one or more telephone or electric cooperatives.

ARTICLE X DISSOLUTION AND DISTRIBUTION OF SURPLUS ASSETS ON SALE OR DISSOLUTION

SECTION 10.1. Dissolution.

(1) A Cooperative which has commenced business may dissolve voluntarily and wind up its affairs in the following manner:

- a. The Directors shall first recommend that the Cooperative be dissolved voluntarily and thereafter the proposition that the Cooperative be dissolved shall be submitted to the members of the Cooperative at any annual or special meeting, the notice of which shall set forth such proposition. The proposed voluntary dissolution shall be deemed to be approved upon the affirmative vote of not less than a majority of all the members and/or patrons of the Cooperative.
- b. Upon such approval, a certificate of election to dissolve, hereinafter designated the "certificate," shall be executed and acknowledged on behalf of the Cooperative by its president or vice president, and its corporate seal shall be fixed thereto and attested by its secretary. The certificate shall state:
 - i. The name of the Cooperative;
 - ii. The address of its principal office;
 - iii. The names and addresses of its directors; and
 - iv. The total number of members of the Cooperative and the number of members and/or patrons who voted for and against the voluntary dissolution of the Cooperative.

The President or Vice President executing the certificate shall also make and annex thereto an affidavit stating that there was compliance with the provisions of the subsection. Such certificate and affidavit shall be submitted to the Secretary of State for filing as provided in this Section.

- (2) Upon the filing of the certificate and affidavit by the Secretary of State, the Cooperative shall cease to carry on its business except insofar as may be necessary for the winding up thereof, but its corporate existence shall continue until articles of dissolution have been filed by the Secretary of State.
- (3) After the filing of the certificate and affidavit by the Secretary of State, the board of directors shall immediately cause notice of the winding up proceedings to be mailed to each known creditor and claimant to be published once of week for two (2) successive weeks in a newspaper of general circulation in the county in which the principle office of the Cooperative is located.

SECTION 10.2. Distribution of Surplus Assets on Sale or Dissolution.

- (1) The Directors shall wind up and settle the affairs of the Cooperative, collect sums owing to it, liquidate its property and assets, pay and discharge its debts, obligations and liabilities, other than those to patrons arising by reason of their patronage, and do all other things required to wind up its business, and, after paying or discharging or adequately providing for the payment or discharge of all its debts, obligations and liabilities (other than those to patrons arising by reason of their patronage), shall distribute any remaining sums, first, to patrons holding unpaid equity certificates, second, to patrons for the pro rata return of all amounts standing to their credit by reason of their patronage, and third, to members for the pro rata repayment of membership fees. Any sums then remaining shall be distributed among its members and former members in proportion to their patronage.
- (2) When all debts, liabilities and obligations of the Cooperative have been paid and discharged or adequate provision shall have been made therefor, and all of the remaining property and assets of the Cooperative shall have been distributed to the members pursuant to the provisions of this Section, the board of directors shall authorize the execution of articles of dissolution which shall thereupon be executed and acknowledged on behalf of the Cooperative by its president or vice president, and its corporate seal shall be affixed thereto and attested by its secretary. Such articles of dissolution shall recite in the caption that they are executed pursuant to this Section and shall state:
 - a. The name of the Cooperative;
 - b. The address of the principal office of the Cooperative;

- c. That the Cooperative has heretofore delivered to the Secretary of State a certificate of election to dissolve and the date on which the certificate was filed by the Secretary of State in the records of the office of the Secretary of State;
- d. That all debts, obligations and liabilities of the Cooperative have been paid and discharged or that adequate provision has been made for such payment or discharge;
- e. That all the remaining property and assets of the Cooperative have been distributed among the members in accordance with the provisions of this Section; and
- f. That there are no actions or suits pending against the Cooperative. The president or vice president executing the articles of dissolution shall also make and annex thereto an affidavit stating that there has been compliance with the provisions of the Section. Such articles of dissolution and affidavit, accompanied by proof of the publication required in this Section, shall be submitted to the Secretary of State for filing as provided in this Section.

ARTICLE XI SEAL

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

ARTICLE XII FINANCIAL TRANSACTIONS

SECTION 12.1. Contracts.

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

SECTION 12.2. 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, or employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolution of the Board.

SECTION 12.3. Deposits.

All the funds of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such financial institutions as the Board may select.

SECTION 12.4. Change in Rates

If required by a lending institution or state law, written notice shall be given to the lending institution, Administrator of RUS of United States of America or other appropriate governmental agency not less than thirty days prior to the date upon which any proposed change in the monthly rates charged by the Cooperative for telephone and/or information services becomes effective.

SECTION 12.5. Fiscal Year.

The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

ARTICLE XIII MISCELLANEOUS

SECTION 13.1. Membership in Other Organizations.

The Cooperative may become a member and/or patron or purchase stock in other profit or nonprofit organizations, associations, partnerships, or joint ventures when the Board finds that the general or long-term interest of its membership will be served by such investments or participation.

SECTION 13.2. Waiver of Notice.

Any member or Director may waive in writing any notice of meeting required to be given by these By-Laws. The attendance of a member or Director at any meeting shall constitute a waiver of notice of such meeting by such member or Director, except in the case a member or Director shall attend a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been lawfully called or convened.

SECTION 13.3. Rules and Regulations.

The Board shall have the power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation, or these By-Laws, as it may deem advisable for the management of the business and the affairs of the Cooperative.

SECTION 13.4 Accounting System and Reports.

The Board shall cause to be established and maintained a complete accounting system which, among other things, and subject to the applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the appropriate governmental agency of the United States of America. The Board shall also, 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. A brief resume' of the audit reports shall be submitted to the members and a complete copy kept in the main office and available for inspection by any member.

ARTICLE XIV AMENDMENTS AND SEVERABILITY

SECTION 14.1. Amendments.

These By-Laws may be altered, amended, restated or repealed by the affirmative vote of a majority of members voting thereon at a regular or special called meeting of the members, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment, repeal or new By-Law or By-Laws to be adopted, or an accurate summary explanation thereof.

SECTION 14.2. Severability.

The provisions of these By-Laws are declared to be severable. If any of its articles, sections, provisions, exceptions, sentences, numerals, clauses, phrases or parts thereof be held to be unconstitutional, against public policy, illegal, invalid or void, their remainder shall continue in full force and effect, it being the intent of the adopters of these By-Laws that these By-Laws would have been adopted even if such unconstitutional, invalid, illegal or void matter had not been included.

Adopted: March 18, 2017

STATEMENT OF NONDISCRIMINATION

“Ben Lomand Rural Telephone Cooperative, Inc.” is an equal opportunity provider and employer. In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA’s TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- 1) Mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- 2) Fax: (202) 690-7442; or
- 3) Email: program.intake@usda.gov.

Ben Lomand Rural Telephone Cooperative, Inc.
311 N Chancery Street, P.O. Box 670
McMinnville, TN 37110
Telephone No. 931-668-4131

DECLARACIÓN DE DISCRIMINACIÓN SPANISH TRANSLATION

“Ben Lomand Rural Telephone Cooperative, Inc.” es un proveedor y empleador que ofrece igualdad de oportunidades. De acuerdo con la ley federal de derechos civiles y las reglamentaciones y políticas de derechos civiles del Departamento de Agricultura de Estados Unidos (U.S. Department of Agriculture, USDA), se prohíbe al USDA, sus agencias, oficinas y empleados, e instituciones que participan o administran los programas del USDA, discriminar por motivos de raza, color, origen nacional, religión, género, identidad de género (incluidas las expresiones de género), orientación sexual, discapacidad, edad, estado civil, estado familiar/parental, ingresos derivados de un programa de asistencia pública, creencias políticas, o reprimendas o represalias por actividades previas sobre derechos civiles, en cualquier programa o actividad llevados a cabo o financiados por el USDA (no todas las bases se aplican a todos los programas). Las fechas límite para la presentación de remedios y denuncias varían según el programa o el incidente.

Las personas con discapacidades que requieran medios alternativos de comunicación para obtener información sobre el programa (por ej., Braille, letra grande, cinta de audio, lenguaje americano de señas, etc.) deberán comunicarse con la Agencia responsable o con el Centro TARGET del USDA al (202) 720-2600 (voz y TTY) o comunicarse con el USDA a través del Servicio Federal de Transmisiones al (800) 877-8339. Así mismo, se puede disponer de información del programa en otros idiomas además de inglés. Para presentar una denuncia por discriminación en el programa, complete el Formulario de denuncias por discriminación en el programa del USDA, AD-3027, que se encuentra en línea en http://www.ascr.usda.gov/complaint_filing_cust.html, o en cualquier oficina del USDA, o escriba una carta dirigida al USDA e incluya en la carta toda la información solicitada en el formulario. Para solicitar una copia del formulario de denuncias, llame al (866) 632-9992. Envíe su formulario completado o su carta al USDA por los siguientes medios:

- (1) Correo: U.S. Department of Agriculture,
Office of the Assistant Secretary for Civil Rights,
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) Fax: (202) 690-7442;
- (3) Correo electrónico: program.intake@usda.gov.

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