

**BY-LAWS
OF
PRENTISS COUNTY ELECTRIC POWER ASSOCIATION**

ARTICLE I - COOPERATIVE MEMBERSHIP

SECTION 1. Qualifications and Obligations. Any person, firm, entity, association, limited liability company, corporation or body politic may become a member in the Cooperative by:

- (a) Signing an application for membership therein;
- (b) Paying the membership fee hereinafter specified;
- (c) Agreeing to purchase from the Cooperative any services which are: electric energy as herein-after specified; and/or other goods or services as determined by the Board including internet services provided through Prentiss Electric Broadband LLC (the Cooperative's wholly-owned subsidiary) (collectively, the "Cooperative Services" or individually, a "Cooperative Service"); and
- (d) Agreeing to comply with and be bound; by the Mississippi Electric Power Association Law, *Miss. Code. Ann. §§ 77-5-201 et seq.*, as amended and any amendments thereto; by the Cooperative's Certificate of Incorporation and any amendments thereto; by these By-Laws and any amendments thereto; and by any and all such rules and regulations as may, from time to time, be adopted by the Board of Directors.

Notwithstanding the above, no person, firm, entity, association, limited liability company, corporation or body politic shall become a member unless and until he, she or it has been accepted for membership by the Board of Directors or the members.

SECTION 2. Membership Fee. The Membership Fee shall be in such amount as the Board of Directors may from time to time determine. Upon the payment of the membership fee and applicable security deposit, line extension deposit or aid to construction costs a member shall be eligible for one service connection.

SECTION 3. Membership Certificates. Membership in the Cooperative may be evidenced by a membership certificate in such form as may be determined by the Board of Directors. If such certificate is issued, then it shall be signed by the President and by the Secretary, or one or more of the Cooperative's designated employee(s) and the corporate seal shall be affixed thereto. No membership certificate shall be issued for less than the membership fee fixed by the Board, nor until such membership fee has been fully paid for. In case a certificate issued by the Cooperative is lost, destroyed or mutilated, a new certificate may be issued there for upon such uniform terms and indemnity to the Cooperative as the Board may prescribe.

SECTION 4. Joint Membership. Married couples may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 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 holders of a joint membership shall be as follows: The presence at a meeting of either or both spouses shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;

- (a) The vote of either separately or both jointly shall constitute one joint vote;
- (b) A waiver of notice signed by either or both shall constitute a joint waiver;
- (c) Notice to either shall constitute notice to both;
- (d) Expulsion of either shall terminate the joint membership;
- (e) Withdrawal of either shall terminate the joint membership;
- (f) Either but not both may be elected or appointed as an officer or board member, provided that both meet the qualifications for such office.
- (g) A proxy may be executed and/or revoked by either spouse.

SECTION 5. Conversion of Membership.

(a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse to comply with Section 1(d) of this Article. Such transfer shall be made and recorded on the books of the Cooperative and such joint membership noted on the original certificate representing the membership so transferred.

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

SECTION 6. Termination of Memberships.

(a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board may prescribe. The Board may, by the affirmative vote of not less than two-thirds of all the members of the Board, expel any member who fails to comply with any of the provisions of the Mississippi Electric Power Association Law and any amendments thereto, the Cooperative's Certificate of Incorporation and any amendments thereof, the Cooperative's By-Laws and any amendments thereof, or rules or regulations adopted by the Board from time to time, but only if such member shall have been given written notice by the Cooperative that such failure makes him liable to expulsion and such failure shall have continued for at least ten (10) days after such notice was given. Any expelled member may be reinstated by vote of the Board or by vote of the members at any annual or special meeting. The membership of a member who for a period of two(2)months after a cooperative service is available to him, has not purchased a cooperative service from the Cooperative, or of a member who has ceased to purchase any Cooperative Services from the Cooperative, may be cancelled by resolution of the Board.

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

In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the member the amount of the membership fee paid by him provided, however, that the Cooperative shall deduct from the value of the membership the amount of any debts or obligations owed by the member to the Cooperative. Inactive (not receiving a cooperative service) members in good standing are not active members, and shall not have the right to vote in any election or otherwise exercise the rights of active members.

SECTION 7. Service to Non-Members. The Cooperative shall provide electric service only to its members only, and shall primarily provide internet service only to its members; provided, however, that the Cooperative may provide internet services to non-members subject to approval by the Manager and should the Cooperative acquire any facilities dedicated or devoted to the public use it may, for the purpose of continuing electric service and avoiding hardship and to an extent which together with all other governmental agencies and political sub-divisions served by the Cooperative on a non-member basis shall not exceed forty-nine percent (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 8. 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 specified in his application for membership and shall pay therefore at rates which shall from time to time be fixed by the Board. 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 and the Tennessee Valley Authority (TVA). It is expressly understood that amount paid for electric energy in excess of the cost of service are furnished by members as capital and each member shall be credited with the capital so furnished as provided in ARTICLE VIII Disposition of Property in these By-laws. Pursuant to the Cooperative's Power Contract with TVA, TVA does not allow the Cooperative to return any capital to its members except through rate reductions. Each member shall pay to the Cooperative such minimum amount regardless of the amount of electric energy consumed, as shall be fixed by the Board of Directors from time to time. Each member shall also pay all amounts owed by such member to the Cooperative as and when the same shall become due and payable.

SECTION 9. Security Deposits. When the membership fee or special deposits as may be required with respect to a Cooperative Service to members or non-members does not, in the judgment of the General Manager of the Cooperative, constitute sufficient security for the payment of bills for Cooperative Services, the General Manager may require such customer to post a deposit with the Cooperative in an amount deemed sufficient to secure payment.

SECTION 10. Contributions to Capital.

(a) All amounts received and receivable from the furnishing of each Cooperative Service in excess of operating cost and expenses properly chargeable against the furnishing of such Cooperative Service are, allocated to the members, received with the understanding that such amounts are furnished as capital. Capital contributed by members of each Cooperative Service shall be used only for capital purposes including, without limitation, new system construction, the retirement of system indebtedness at or prior to maturity, and working capital adequate for all purposes including facilitation of general rate reductions.

(b) As set forth above, the Cooperative shall only use capital credits from the furnishing of electric service to reduce electric rates as low as practical for all classes of electric usage.

(c) If at any time prior to dissolution or liquidation, the Board of Directors shall determine, in its sole discretion, that the financial condition of the Cooperative will not be impaired, the capital then credited to the members' account related to Cooperative Services other than the furnishing of electric service may be retired in full or in part. The Board of Directors shall have the discretion, in the exercise of business judgment, to determine the method, basis, priority, and order of retirement, if any for all amounts furnished as capital for each such Cooperative Service. If the Board of Directors determines that capital credits shall be retired, such retirement may be accomplished in the manner determined by the Board of Directors, in its sole discretion utilizing business judgment, including by bill credit or by the mailing of payment or notice of payment to the member's last known address on file with the Cooperative. No interest shall be paid or payable by the association on capital furnished to it by the members. The Board of Directors, in its sole discretion using business judgment, shall have the power to adopt rules and policies for the retirement of capital credits, including but not limited to special retirements for former members and the estates of deceased members. Such rules and policies may provide that any special retirement may be at a discounted rate so long as such retirement does not unreasonably hinder the Cooperative's financial condition. Before retiring any capital credits, the Cooperative shall deduct there from any amount owing by such member to the Cooperative together with interest at the statutory rate on judgments in effect when such amount became past due, compounded annually.

(d) The Cooperative shall maintain such books and records as will enable it to compute, upon reasonable notice, the amount of capital contributed during any given period of each of its members for each Cooperative Service. The Board shall make all capital credit decisions.

SECTION 11. 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 12. Wiring. Service to any member or prospective member may, in the discretion of the General Manager or 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 adopted by the Board of Directors of the Cooperative.

The requirement or waiver of such 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 13. Easements for Cooperative's Lines. Each member of the Cooperative shall, without charge to the Cooperative, grant to the Cooperative

(a) easements for the construction, operation and maintenance of poles, transmission and distribution lines, fiber optic lines, and other materials and equipment of the Cooperative ("Cooperative's Facilities) over, under and through land owned or controlled by the member,

(b) the right to use and/or allow others to use the easements and Cooperative's Facilities thereon for the provision of cable television, telephone, internet and other services, and

(c) the right to access and duly authorize third parties to access the easements to maintain the easements and the lines and other equipment thereon in such condition as may be necessary or desirable, including, without limitation, the right to cut trees, trim trees, apply herbicides for vegetation management, and remove or trim other obstacles, including trees, on or adjacent to the easements which may endanger the lines or other equipment on the easements or the public. The granting by a member of such easements and rights to the Cooperative shall be effective upon the member's admission to membership in the Cooperative, and the granting of such easements and rights shall be effective and enforceable even in the absence of a separate written easement agreement executed by the member. The member shall, nevertheless, execute a separate written easement agreement for recording purposes if requested by the Cooperative to do so.

SECTION 14. Protection of Members Privacy. Except to the extent required by law, regulation or court order, the Cooperative shall not disclose the name, address, or other personal information of any of its members to any person or entity, including but not limited to, any member seeking election to the Cooperative's Board of Directors. Notwithstanding the above, the Cooperative may, in its discretion, provide information regarding members to law enforcement officers to the extent required by law, and to the extent deemed necessary by the Cooperative in connection with public safety and/or the safety of the Association's Members, Directors, officers or employees. In addition, notwithstanding the above, if requested by a member in Good Standing (including but not limited to a member seeking election to the Cooperative's Board of Directors), the Cooperative will mail legitimate information to all of its members in Good Standing if such information is for one of the following purposes:

(1) to allow a properly nominated candidate seeking election to the Cooperative's Board of Directors to solicit votes from the members;

(2) to allow such member to solicit signatures from members to call a special meeting of the members for a proper purpose; or

(3) to allow such member to solicit votes from members regarding any matter requiring the consent of the members.

Any member making a request pursuant to this section shall be required to submit a written request to the Cooperative's General Manager, which request shall include a copy of the information proposed to be mailed to the members, the date the requesting Member desires that the documents (the copies of which shall be provided by the requesting member) be placed in the U.S. Mail, and such other information as the Manager may reasonably request. Upon receipt of such written request, the Cooperative's General Manager shall determine the cost of

mailing labels, envelopes, postage and other reasonable expenses associated with the proposed mailing, and shall advise the requesting member of the cost of same. Upon the Cooperative's receipt of the printed materials and pre-payment of the costs determined by the Manager (which payment shall be made by certified check, cashier's check or Federal wire transfer), the Cooperative will place the materials in the U.S. Mail to its members as soon as reasonably practicable.

SECTION 15. Alternative Dispute Resolution. Any and all member disputes, claims, or controversies arising from or related in any way to the cooperative's provision of electricity or other cooperative services, or in its furnishing of any goods, or in the conduct of its operations, other than disputes or claims relating to the payment for electrical energy and/or payment for other cooperative services provided by the cooperative or rates and service practices regulated by TVA, that are not resolved by agreement of the parties or resolved through TVA's complaint resolution process, shall, at the request of either party, be resolved by binding arbitration.

Unless otherwise prohibited by law, any controversy or claim arising out of or related to these by-laws, or the breach thereof, including any claim or controversy relating to board governance, or any controversy or claim arising out of or related to patronage capital or Mississippi Code Section 77-5-235 (as amended or any future amendment), shall be finally resolved by binding arbitration administered by the American Arbitration Association in accordance with its arbitration rules after all conditions precedent as set forth in these by-laws have been satisfied. The subject matter of this arbitration provision involves interstate commerce such that the Federal Arbitration Act (9 U.S.C. § 1 et. seq. as amended) shall govern the interpretation and enforcement of this arbitration provision. The arbitration shall be held in the state of Mississippi at a location designated by the party not making the initial demand for arbitration. A judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Each party agrees to pay their own attorneys' fees and expenses and costs, and each party agrees to share equally the cost of the arbitrator and arbitration.

The members also agree to (I) waive any right to pursue a class action arbitration, or (II) have an arbitration under this arbitration provision consolidated or determined as part of any other arbitration proceeding. The parties agree that any dispute to arbitrate must be brought in an individual capacity, and not as a plaintiff or class member of any purported class or representative capacity. If any part of this arbitration provision, other than waivers of class action rights, is found to be unenforceable for any reason, the remaining provision shall remain enforceable. If the waiver of class action and consolidation rights is found unenforceable in any action in which class action remedies have been sought, this entire arbitration provision shall be deemed unenforceable. It is the intention and the agreement of the parties not to arbitrate class actions or to have consolidated arbitration proceedings. Should the parties have a dispute, that is within the jurisdiction of the justice courts of the State of Mississippi, such dispute may be resolved at the election of either party in Justice Court rather than through Arbitration.

Any member may reject this agreement to arbitrate by sending to the Association at P.O. Box 428, Booneville, MS 38829 a notice ("Rejection Notice") within sixty (60) calendar days of the date of the board meeting where this provision permitting a Rejection Notice was added to the By-Laws. Any member's rejection Notice must include such member's full name, current address, current telephone number, and account number(s), and be signed by such member. The Rejection Notice must be mailed with return receipt requested to the address set

forth above to the attention of the manager. In the event of any dispute concerning whether a member has provided a timely notice of rejection, the member must produce the signed receipt for mailing the Rejection Notice. In the absence of the signed receipt, the Association's received date stamp on the Rejection Notice shall be conclusive evidence of the date of receipt.

These instructions constitute the only method that a member can use to exercise the right to reject this arbitration provision.

This agreement to arbitrate all disputes, claims or controversies shall survive any withdrawal from or termination of a member's membership in the cooperative.

If the arbitration provision is deemed unenforceable and the parties otherwise litigate a dispute in court, the parties agree to waive any right to trial by jury in any proceeding brought in court.

ARTICLE II - MEETING OF MEMBERS

SECTION 1. Annual Meeting. The annual meeting of members shall be held on the third Saturday of August of each year, or at such other time, and at any place within the service area of the Cooperative, as shall be designated by the Board of Directors and specified in the notice of meeting, for the purpose of passing upon reports covering the previous fiscal year and transacting such other business as may come before the meeting, PROVIDED, that in the event the Board sets a different date for the meeting, said date shall not be more than thirty (30) days prior or subsequent to the day otherwise established in this Section. The President of the Board, or his nominee, shall preside at and conduct the meeting. If, at any annual meeting or adjournment thereof, the President, or his nominee, determines in his judgment that it is necessary in the best interest of the Cooperative and its members to adjourn or reset the meeting to another time, date and place, he shall have the power, discretion and authority so to act. Failure to have a quorum at the annual meeting time shall not work a forfeiture or dissolution of the Cooperative, nor shall it affect the election of Directors to be held after the annual meeting date by mail out ballot.

SECTION 2. Special Meetings. Special meetings of the members may be called by resolution of the Board of Directors, by any seven (7) directors, by the President, or upon written petition signed by at least twenty (20%) of all members. Said petition shall be on a form satisfactory to the Cooperative. Each person signing such petition shall affix the date of the signature, show the address and account number of the person signing the petition. In no event shall a special meeting be called unless the petitions are completed and presented to the Cooperative within ninety (90) days from and after the date of the first signature on said petition. When special meetings are called in such manner, it shall be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Such a meeting shall be held at such place within the service area of the Cooperative and on such date, not sooner than sixty (60) days after the call of such meeting is made by said petition, and beginning at such hour as shall be designated by the Board of Directors.

SECTION 3. Notice of Member's Meetings. Written or printed notice stating the place, day and hour of any annual meeting of the members shall be delivered to each member not less than ninety (90) days before the date of the meeting for annual meetings held after 2023

by the United States mail. Written or printed notice stating the place, day and hour and the purpose(s) thereof of any special meeting of the members shall be delivered to each member not less than thirty (30) days before the date of the meeting by United States mail. A mailed 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 spouse shall be deemed as 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, and the attendance in person or by proxy, of a member at any annual or special meeting of the members shall constitute a waiver of notice of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business, or one or more items of business, on the ground that the meeting shall not have been lawfully called or convened. Any member attending any annual or special meeting for the purpose of making such objection shall notify the Secretary prior to or at the beginning of the meeting of his objection.

SECTION 4. Quorum. In order to constitute a quorum for the transaction of business at each meeting of members of the Cooperative, there must be present either in person or by proxy at least five percent (5%) of the Cooperative's members, except that, if less than a quorum is present at any meeting, the Board of Directors, in its discretion, may adjourn the meeting to another time and date not less than sixty (60) days later and to any place within the service area of the Cooperative as shall be designated by the Board of Directors. In case of a joint membership, the presence at the meeting, either in person or by proxy of either spouse, or both of them, shall be regarded as the presence of one member. The President, or his nominee, shall ascertain whether or not a quorum is present, and such determination shall be conclusive in the absence of fraud or bad faith. The determination of the Board of Directors to adjourn or recess the meeting, shall be conclusive in the absence of fraud or bad faith, and no further valid or binding action may be taken unless and until a quorum is present. In the event any meeting is adjourned to a later date, the Secretary shall notify any absent members of the time, date, and place of such adjourned meeting by delivering notice thereof as provided in Article II, SECTION 3 herein.

SECTION 5. Voting. Each member in good standing shall be entitled to only one vote, regardless of the number of memberships the member may have in his, her or its name, upon each matter submitted to a vote at a meeting of the members at which a quorum is present and only one ballot when voting for candidates nominated to serve on the Board of Directors. PROVIDED, that no member shall be entitled to vote unless said member shall have been an active (receiving a cooperative service) member of the Cooperative for at least thirty (30) days prior to the set date of the meeting. At all meetings of the members at which a quorum is present, all questions submitted to the members for determination and vote shall be decided by a vote of the majority of the members present either in person or by proxy, except as otherwise provided by law, the Certificate of Incorporation, or these By-Laws. If a married couple holds a joint membership, they shall jointly be entitled to only one vote upon each matter submitted to a vote of the members. A surviving spouse may vote the membership of a deceased member for a period of twelve (12) months after the member's death. As used in these By-Laws, "members in good standing" shall mean all of the Cooperative's members whose membership has not

been suspended or terminated, and “member in good standing” shall mean any of them.

SECTION 6. Proxies. For the convenience of the members, at all meetings of the members, a member may be considered present and may vote by proxy executed in writing by the member upon the form specified and provided to the member by the Cooperative, and no other designation or form shall be recognized or accepted. In the event a member executes two or more proxies for the same meeting or for any adjournment thereof, the proxy last filed shall revoke all others. If such proxies are filed on the same date and are held by different persons, none of them will be valid or recognized. Each proxy must be in writing, show the member's account number, be signed by the member, must name another member or the Board of Directors of the Cooperative to vote the proxy, and must be filed with the Cooperative's independent auditors by United States mail at least one hundred ninety-two (192) hours prior to the scheduled starting time of the meeting. No proxy shall be voted by anyone other than a member of the Cooperative or the Board of Directors. No member shall vote as proxy for more than Five (5) members at any meeting of the members; provided, however, that each of the Directors may vote for up to one hundred (100) members at any meeting of the members. The date of the proxy's receipt at the Cooperative's independent auditor's office shall be its filing date. The proxy must 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 ninety (90) days from the date of its execution. If no member is designated on any proxy to vote the same or if the Board of Directors of the Cooperative is designated to vote the proxy, the proxy shall be voted by the Board of Directors, or its nominee. The presence of a member at a meeting of members shall not revoke a proxy theretofore executed by him, and such member shall not be entitled to vote at such meeting. A proxy may be revoked only, by the person who issued the proxy. The revocation must be in writing, signed by the member, dated, stating the account number of the member, and must be filed with the Cooperative's independent auditors at least one hundred ninety-two (192) hours prior to the scheduled starting time of the meeting at which the revoked proxy was to be voted. In the case of a joint membership, a proxy may be executed and may be revoked by either spouse.

SECTION 7. Credentials and Election Committee. The President of the Cooperative at his/her sole discretion may, appoint a committee, consisting of an uneven number of members, not less than three (3) nor more than seven (7), who are not existing Cooperative employees, agents, officers, directors or known candidates for director. It shall be the responsibility of this committee to establish or approve the manner of conducting member registration and any voting, to pass upon all questions that may arise with respect to the registration of members in person, to accept the count of all proxies from the Cooperative's independent auditors, and other votes cast, to rule upon the effect of any proxy, or other vote irregularity or indecisively marked or cast, to rule upon all other questions that may arise relative to member voting. In the exercise of its responsibility, the committee shall have available to it the advice of counsel provided by the Cooperative. 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 and conclusive.

SECTION 8. 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 essentially as follows: Report on the existence of a quorum.

If no quorum is present:

1. Dismiss those in attendance.

If a quorum is present:

1. Reading of the notice of the meeting and proof of the due publication and mailing thereof.
2. Reading of unapproved minutes of previous meeting of the members and the taking of necessary action thereon.
3. Presentation and consideration of reports of officers, directors and committees.
4. Unfinished business.
5. New business.
6. Adjournment.

ARTICLE III - DIRECTORS

SECTION 1. General Powers. The business and affairs of the Cooperative shall be managed by a Board of Directors composed of thirteen (13) directors which shall exercise all of the powers of the Cooperative except such as are by law, by the Cooperative's Certificate of Incorporation, or by these By-Laws conferred upon or reserved to members.

SECTION 2. Tenure of Office. The persons presently serving as board members shall compose the board until their successors shall have been elected and shall have qualified. Members of the board shall be elected by secret mail ballot following each annual meeting of the members to serve for a three-year term. The terms of office shall rotate as provided for in *Miss. Code Ann. § 77-5-221*, as amended, and will begin on the last Thursday in September after the election shall have been held or until their successors shall have been duly elected and qualified.

SECTION 3. Areas of Representation. Two directors shall be elected from each of five (5) areas served by the distribution lines owned by the Cooperative and described as follows: Area Number One (1); that area served by the Cooperative located in Range Seven (7) East and North of the South boundary of Township Five (5) South. Area Number Two (2); that area served by the Cooperative located North of the South boundary of Township Five (5) South and West of the West boundary of Range Seven (7) East. Area Number Three (3); that area served by the Cooperative South of the South boundary of Township Five (5) South and West of the West boundary of Range Eight (8) East. Area Number Four (4); that area served by the Cooperative South of the South boundary of Township Five (5) South and East of the West boundary of Range Eight (8) East. Area Number Five (5); that area served by the Cooperative located North of the South boundary of Township Five (5) South and East of the West boundary of Range Eight (8) East. Each director must be a resident of the area that he or she represents. Two members who reside within the city limits of Booneville, Mississippi and one member who resides within the city limits of Baldwin, Mississippi shall be elected to membership on the Board of Directors. All directors must be members in good standing of the

Cooperative and meet those qualifications as stated in Section 4.

SECTION 4. Qualifications. In order to be eligible to become or remain a member of the Board of directors of the Cooperative, a person:

- (1) Must be a member in good standing and a bona fide resident of the area represented; as described in Section 3 of this Article.
- (2) Must not be employed by or in any way financially interested in a competing - enterprise, a business engaged in broadband or other internet services or one selling electric energy or supplies to the Cooperative, or a Company having a contract with the Cooperative other than a contract for power.
- (3) Must not be a convicted felon or convicted of a crime of moral turpitude.
- (4) Must not hold an elected public office in connection with which a regular salary is paid.
- (5) Must not have been employed by the Cooperative in the last 3 years.
- (6) Must not have sued or be a family member of one who sued the cooperative during the last 3 years.
- (7) Must be an individual with the capacity to enter into legally binding contracts.
- (8) Must comply with any other reasonable qualifications established by the Board of Directors.

In the event a membership is held jointly by a married couple, either spouse, but not both, may be elected a director; PROVIDED, that neither one shall be eligible to become or remain a director unless both shall meet the qualifications hereinabove set forth. Upon determination that a director is holding the office of director in violation of any of the foregoing provisions, the Board of Directors shall remove such director from office; and provided, however, that nothing contained in this section shall in any manner whatsoever effect the validity of any action taken at any meeting of the Board of Directors.

SECTION 5. Nomination. Any member of the Cooperative who meets the qualifications set forth in these By-Laws may qualify by petition to become a candidate for director. This petition shall be submitted on a form designated and provided by the Cooperative which shall contain a request signed by the member stating his or her desire to become a candidate for director of the Cooperative. The petition shall indicate the post for which the member desires to be a candidate. This petition must be signed by not less than twenty-five (25) members in good standing of the Cooperative and must be filed with the Secretary of the Cooperative not less than one hundred ninety-two (192) hours prior to the starting time of the annual meeting of the members. Individual petitions must be filed by each member desiring to qualify as a candidate for director. The names of all candidates for director qualifying as provided in this section shall appear on the official ballot furnished by the Cooperative and mailed to the members in good standing at the mailing address of each such member according to the records maintained by the Cooperative.

SECTION 6. Election by Mail Out Ballot or Electronic Ballot. Each active (receiving a cooperative service) member in good standing will be mailed an official ballot with two envelopes in which to return the voted ballot to the Cooperative's independent auditors or any electronic balloting company retained by the Cooperative. The inside envelope will be unmarked. The outside envelope will be postage paid and pre-addressed to the Cooperative's

independent auditors. The outside envelope must be signed by the member along with the printed name of the member and returned by the specified date. The Cooperative's independent auditors or electronic balloting company will count the ballots and make a written report to the Board of Directors as to the number of votes received by each candidate and the candidates elected. The candidate for each post receiving the most votes shall be elected as the director for such post. The ballot of a deceased member may be voted by his or her spouse up to 12 months after the death of such deceased member. Each member will be entitled to only one ballot regardless of the number of memberships purchased or service connections the member may have.

In the event a member misplaces, destroys or spoils his or her ballot, said member shall be entitled to a replacement ballot upon either a written or in person request by the member to the principal office of the Cooperative in Booneville, Mississippi. Any issues regarding the proper execution of any ballots or the validity of any ballots shall be decided by the Cooperative's independent auditors or the electronic balloting company.

In any year that only one candidate qualifies in each area up for election the remaining Board members may vote to elect those candidates that qualified and save the cost of the mail out balloting for that year.

The completion of the annual election process confirms the desire of the Cooperative's members for the year.

SECTION 7. Removal of Directors and Officers. Any member may bring charges of malfeasance, misconduct in office, disability, or other good cause against an officer or director by filing such charge in writing with the Secretary, together with a petition signed by twenty percent (20%) of the members in good standing, requesting the removal of the officer or director in question. Said petition shall detail the facts constituting each charge and shall not be a general charge. Each page of the petition shall, in the forefront thereof, contain a verbatim statement of such charge or charges in order that the signators on each page will be appraised of the seriousness and nature of the charges to which they have affixed their signature. Each person signing such petition shall affix the date of the signature, sign in the same name as he is billed by the Cooperative and state the signator's address the same as it appears on such billings. In no event shall said petition be heard unless the petitions are completed and filed with the Cooperative within ninety (90) days from and after the date of the first signature on said petition. The officer or director shall be informed in writing of the charge or charges after they have been validly filed and shall be given fifteen (15) days to answer the charge or charges in writing; after which, the Board of Directors shall mail to each member in good standing of the Cooperative a copy of the charge or charges verbatim, the name of the officer or director against whom the charge or charges have been made, the members filing the charges, the answer to the charge or charges verbatim, an official mail out ballot with voting instructions, and return postage paid envelope pre-addressed to the Cooperative's independent auditors. The Cooperative's independent auditors shall count the ballots and make a report to the Board of Directors of the results of the balloting in writing. The member bringing the charges and the officer or director so charged may have one (1) witness to observe the count of the ballots. Any issues regarding the proper execution or the validity of any ballots shall be decided by the Cooperative's independent auditors. In the event any director is removed from office by said process, the Board of Directors shall convene by special meeting within ten (10) days of the date of said removal and shall elect a successor director from the same director area as was the

director removed, to serve the unexpired portion of the removed director's term up to and until the next annual director election. At the next annual director election, the balance of the unexpired portion of the removed director's term shall be filled by the regular nomination and election process set forth in this article for a regular election.

SECTION 8. Vacancies. Subject to the provisions of these By-laws with respect to the removal of directors, vacancies occurring in the Board of Directors shall be filled by a majority vote of the remaining directors and any director thus elected shall serve the unexpired portion of the term for which his predecessor was elected or until his or her successor shall have been elected and shall have qualified.

SECTION 9. Indemnification.

(a) Each director, officer and supervisory employee (including the Manager and any person while acting in the capacity of Manager) of the Cooperative now or hereafter serving as such, shall be indemnified by the Cooperative against any and all claims and liabilities asserted in any threatened, pending, or future action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal, to which such person is a party, or is threatened, or should be made a party, by reason of the fact that such person is or was a director, officer or supervisory employee of the Cooperative, or by reason of any action alleged to have been taken, omitted, or neglected by such person as a director, officer or supervisory employee, against expenses, reasonable attorneys' fees, court costs, judgments, fines, and amounts paid in settlement or after judgment, actually reasonably incurred by such person in connection with such action, suit, or proceeding; provided, no reimbursement for the settlement of any claim made against any director, officer or supervisory employee indemnified hereunder shall be made except where such settlement has been approved by the Board of Directors of the Cooperative prior to the consummation thereof. A director, officer or supervisory employee may be indemnified only if (1) he or she conducted himself or herself in good faith, and (2) he or she in good faith believed (i) in the case of conduct in his or her official capacity with the Cooperative that his or her conduct was in the Cooperative's best interests, and (ii) in all other cases, that his or her conduct was at least not opposed to the Cooperative's best interests, and (3) in the case of any criminal proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. No director, officer or supervisory employee shall be indemnified against or be reimbursed for any expense incurred in connection with any claim or liability arising out of such person's own willful misconduct or gross negligence; in such event, the Board of Directors of the Cooperative excepting the Director whose conduct is the subject of the claim or liability, shall be the sole judge of the willful misconduct or gross negligence of any director, officer or supervisory employee indemnified hereunder, and their determination thereof shall be final and conclusive as to such conduct. The termination of a proceeding by judgment, order, settlement or conviction is not, of itself, determinative that the director, officer or supervisory employee did not meet the standard of conduct described in this section and by Miss. Code Ann. Section 79-11-281, as amended.

(b) No director, officer or supervisory employee shall be entitled to any indemnification hereunder except in the event the amount or amounts required to be paid on the items hereinabove enumerated, by any director, officer or supervisory employee indemnified hereunder, shall exceed any insurance coverage provided such director, officer or supervisory employee by the Cooperative, or carried individually by such director, officer or supervisory

employee and then only in such amount paid by such director, officer or supervisory employee which actually exceeds all payments made on behalf of such director, officer or supervisory employee by any insurance carrier or carriers.

(c) No director, officer or supervisory employee shall be entitled to any indemnification hereunder by the Cooperative (1) in connection with a proceeding by or in the right of the Cooperative in which the director, officer or supervisory employee was adjudged liable to the Cooperative, or (2) in connection with any other proceeding charging improper personal benefit to him or her, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her. Indemnification permitted under this section in connection with a proceeding by or in the right of the Cooperative is limited to reasonable expenses incurred in connection with the proceeding.

(d) The provisions of this Section shall be applicable to actions or proceedings commenced after the adoption hereof, whether arising from acts or omissions occurring before or after the adoption hereof, and to any such directors, officers and supervisory employees who should hereafter cease to be directors, officers or supervisory employees, and shall inure to the benefit of their heirs and legal representatives.

(e) The provisions of this Section shall be inapplicable to any action brought by the Cooperative against any director, officer or supervisory employee otherwise indemnified hereunder.

SECTION 10. Compensation. Directors shall not receive any compensation for their services as Directors but shall be entitled to reimbursement for reasonable expenses incurred by them in the performance of their duties. Directors may, by resolution of the Board of Directors, be granted a reasonable per diem allowance by the Board.

SECTION 11. Policies, Rules and Regulations. The Board of Directors shall have the power to make and adopt such Policies, Rules and Regulations, not inconsistent with law, the Cooperative's Certificate of Incorporation or these By-Laws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

SECTION 12. 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. The Board of Directors shall also, within a reasonable time after the close of each fiscal year, cause to be made by a Certified Public Accountant a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. A report of such audit shall be submitted to the Board of Directors.

ARTICLE IV - MEETINGS OF DIRECTORS

SECTION 1. Regular Meetings. A regular meeting of the Board of Directors may be held without notice, immediately after, and at the same place as, the annual meeting of the members, as determined by the President or a majority of the directors. A regular meeting of the Board of Directors shall also be held monthly at such time and place within the area served by the Cooperative as designated by the Board of Directors; provided, however, by resolution the Board of Directors may change the date, time, or location of any regular meeting. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof. Any member of the cooperative may address the Board of Directors, unless in executive session, at any regular meeting regarding suggestions for better service, grievances or any other matter affecting the Cooperative, provided that the member has at least fifteen (15) days in advance of the meeting executed a written request, in a form and manner prescribed by the Cooperative. The President may limit the format and length of any presentation. The Board may defer any presentation by a member to the next scheduled Board meeting due to the time restraints. Non-members of the Cooperative may not attend meetings of the Board of Directors or address the Board of Directors unless specifically invited by the Board of Directors, the President, Vice-President or the Cooperative's Manager.

SECTION 2. Special Meetings. Special meetings of the Board of Directors may be called by the President or Vice-President, or a majority of the directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place 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, electronic noticed or mailed, to each director at his or her last known address or contact number. 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. By unanimous consent of the directors, special meetings of the Board may be held without notice at any time and at any place.

SECTION 4. Quorum. A majority of the members of the Board of Directors shall constitute a quorum, provided, that if less than such majority of the Board of Directors is present at said meeting, a majority of the directors present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent directors of the time and place of such adjourned meeting.

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

SECTION 2. Election and Term of Office. The officers shall be elected, by ballot, annually by the Board of Directors at the first meeting of the Board of Directors held after each annual election of directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board of Directors following the next succeeding annual election of directors or until his successor shall have been duly elected and shall have qualified, subject to the provisions of these By-laws 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 interest of the Cooperative will be served thereby.

SECTION 4. Vacancies. 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 meeting of the members and of the Board of Directors.
- (b) shall sign, with the Secretary, any certificates of membership, 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 By-Laws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; provided, however, that the signing of any certificates of membership may be delegated to an employee of the Cooperative; 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 be responsible for:

- (a) keeping the minutes of the meetings of the members and the Board of Directors in one or more books provided for that purpose;
- (b) seeing that all notices are duly given in accordance with these By-Laws, or as required by law;
- (c) the safekeeping of the corporate books and records and the seal of the Cooperative and affixing the seal of the Cooperative to any 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 By-Laws;
- (d) keeping a register of the names and post office address of all members, which shall be furnished to the Secretary by the members; signing with the President, any certificates of membership; provided, however, that the signing of any certificates of membership may be delegated to an employee of the Cooperative; and,
- (e) keeping on file at all times a complete copy of the Articles of Incorporation and By-Laws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Cooperative, furnishing a copy of the By-Laws and of all amendments to any member upon request; and
- (f) in general performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board.

SECTION 8. Treasurer. The Treasurer shall be responsible for:

- (a) custody of all funds and securities of the Cooperative;
- (b) 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 bank or banks as shall be selected in accordance with the provisions of these By-laws; and
- (c) 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 by the Board.

SECTION 9. Delegation of Secretary's and Treasurer's Responsibilities.

Notwithstanding the foregoing, responsibilities and authorities of the Secretary and the Treasurer as provided in Sections 7 and 8, the Board of Directors by resolution may, except as otherwise limited by law, delegate, wholly or in part, the responsibility and authority for, and the regular or routine administration of, one or more of each such officer's duties to one or more agents, other officers or employees of the Cooperative who are not directors. To the extent that the Board does so delegate with respect to either such officer, that officer as such shall be released from such duties, responsibilities and authorities.

SECTION 10. Manager. The Board of Directors may appoint a manager who shall be a qualified individual and who may be, but who shall not be required to be, a member of the Cooperative. The Manager shall have general over-sight, care of the property and business of the Cooperative and shall perform such additional duties and have such authority and management as the Board of Directors may from time to time require of or vest in him or her; 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 11. Bonds of Officers. The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded in such sum and with such surety as the Board shall determine. The Board in its discretion may also require any other officer, agent or employee of the Cooperative to be bonded in such amount and with such surety as it shall determine.

SECTION 12. Compensation. The powers, duties and compensation of officers, agents and employees shall be fixed by the Board subject to the provisions of these By-Laws with respect to compensation for directors.

SECTION 13. Reports. The officers of the Cooperative shall submit at each annual meeting of the members' reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VI - FINANCIAL TRANSACTIONS

SECTION 1. Contracts. Except as otherwise provided in these By-Laws, the Board may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instruments 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 orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative shall be signed and/or countersigned by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolution of the Board.

SECTION 3. Deposits. All funds (except petty cash) of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks or TVA as the Board of Directors may select.

SECTION 4. 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 VII - DISSOLUTION

In the event of liquidation and dissolution of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, any 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. After payment of all outstanding capital credits, the remaining liquidation proceeds, if any, shall be distributed ratably among all members during the period of the Cooperative's existence.

ARTICLE VIII - DISPOSITION OF PROPERTY

SECTION 1. Vote of the Members not required. The Board of Directors may, without authorization of the members, sell, mortgage, lease or otherwise encumber or dispose of:

(a) Any of its property which, in the judgment of the Board of Directors, is neither necessary nor useful in operating and maintaining the Cooperative's system and which in any one (1) year shall not exceed ten percent (10%) in value of all of the property of the Cooperative; or

(b) Merchandise.

This Section and the other provisions of this Article, however, shall have no application to the mortgaging or encumbering of the property of the Cooperative for the purpose of borrowing money. The Board of Directors, without authorization by the members, shall have full power and authority upon the affirmative vote of two-thirds (2/3) of the directors constituting the full Board of Directors 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 Cooperative, 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 Directors constituting the full Board of Directors, shall determine to secure any indebtedness of the Cooperative to the United States of America or any instrumentality or agency thereof, or to a national financing institution organized on a cooperative basis for the purpose of financing the Association's programs, projects and undertakings, in which the Association holds membership.

SECTION 2. Vote Required.

(a) For property of the Cooperative to be sold, leased, or disposed of other than in Section 1, the same must be first authorized by the affirmative vote of at least sixty percent (60%) of the members in good standing.

(b) Any proxy authorizing a vote for or against a proposal to sell, lease or otherwise dispose of property of the Cooperative must satisfy the requirements set by the Securities and Exchange Commission Rule 14A-4 (and any amendments thereto). Any proxy authorizing a vote for or against a proposal to sell, lease or otherwise dispose of property of the Cooperative obtained prior to the date notice is mailed shall be deemed invalid for purposes of determining whether the required member vote pursuant to this section has been obtained.

SECTION 3. Procedural Requirements.

(a) A proposal to sell property of the Cooperative may be considered and voted on at the annual meeting of members or a special meeting of members called for such purpose. A meeting of the members of the Cooperative for the purpose of considering and voting upon the sale, lease or other disposition of property of the Cooperative to a particular purchaser or to any person controlling, controlled by, or under common control with such purchaser (an "Affiliate") shall not be held more than once in any twelve (12) month period.

(b) In order for any proposal to sell, lease, or otherwise dispose of property of the Cooperative to be properly brought before an annual or special meeting of the members, the requirements of Miss. Code Ann. Section 77-5-237, as amended, must be met, and in addition the following requirements must be satisfied:

(1) The Cooperative must have provided written notification of the offer of purchase to any lender desiring to receive such notification and to any generation and transmission association of which Cooperative is a member. The notification of the offer to purchase must contain all of the information provided to the Cooperative, its management and the Board of Directors, or which is filed with the Mississippi Public Service Commission.

(2) The disclosure required by Miss. Code Ann. Section 77-5-237, as amended, and any additional disclosure required by these By-Laws must have been received in a form to allow management and the Board of Directors ample opportunity to review same.

(3) The purchaser must have agreed in writing to assume those obligations of the Cooperative as required by Miss. Code Ann. Section 77-5-237, as amended, and other provisions of these By-Laws.

(4) The purchaser must have agreed in writing to indemnify the Cooperative and its members against any damage, liability or loss (including, without limitation, reasonable attorneys' fees and expenses, interest, penalties, judgments and amounts paid in settlement of, any claim, suit, action or proceeding) sustained, incurred, paid or required to be paid by the Cooperative arising out of any act or omission of the Cooperative or purchaser occurring before or after the sale of property of the Cooperative to the purchaser.

SECTION 4. Required Disclosure. Any purchaser shall prepare and deliver to the Board of Directors of the Cooperative a written disclosure statement containing the following information and documents:

(a) That information as required by Miss. Code Ann. Section 77-5-237, as amended;

(b) Any plans or proposal of the purchaser or an Affiliate of the purchaser concerning the future conduct of the business of the Cooperative including, but not limited to:

- (1) Resale of any of the property of the Cooperative;
- (2) Termination of employment of persons employed by the Cooperative;
- (3) Changes in benefits of employees of the Cooperative under any employee benefit plan;
- (4) Changes in rates for electricity to be charged in the service area served by the Cooperative; and
- (5) Any reduction in service, change in service area, or requirements as to minimum charges which would affect the members of the Cooperative.

(c) An opinion of counsel to the purchaser setting forth the tax consequences of the acquisition to the Cooperative and its members; and

(d) Any other information which a reasonable person would consider important in deciding whether to vote for approval of a proposal to sell, lease or otherwise dispose of the property of the Cooperative.

SECTION 5. Competing Bid Disclosure. Any competing bids given to the members of the proposed purchase shall include any offers to purchase received from any lender of the Cooperative or any generation and transmission association of which the Association is a member, and shall include the terms of the offer and such information as the lender or generation and transmission association may request to be transmitted to the members and which is material to the future generation of the assets to be purchased.

SECTION 6. Effect of Noncompliance. Any sale, lease or other disposition of the property of the Cooperative that is not effected in strict compliance with the provisions of Miss. Code Ann. Section 77-5-237, as amended, and the provisions of these By-Laws shall be void. Any purchaser or Affiliate of a purchaser which in providing the disclosure required by Section 10.03, 10.04 and 10.05, or in any other communication with the members of the Cooperative, written or oral, makes false or misleading statements concerning material facts or omits information necessary to make the information disclosed not misleading shall be liable to the Cooperative and its members for any damages incurred thereby, including, but not limited to, the difference in the consideration paid for the property of the Cooperative by the purchaser and the fair value of such property and any increases paid or to be paid in the future for electricity by the members.

SECTION 7. Non-Application to Consolidation. The provisions of this Article 10 do not apply to the consolidation of associations effectuated pursuant to Miss. Code Ann. Section 77-5-217, as amended.

SECTION 8. Severability. If any section of Article 10, or any provision thereof, is determined by any court to be invalid, such invalidity shall not affect the validity of the other sections or provisions of this Article.

ARTICLE IX - WAIVER OF NOTICE

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

ARTICLE X - MEMBERSHIP IN OTHER ORGANIZATIONS

The Cooperative may become a member of any and all other organizations as the Board of Directors may determine shall be to the best interest of the Cooperative, and the Board of Directors shall have full power and authority to authorize the Cooperative to purchase stock in or to become, a member of any corporation or cooperative organized on a for profit or non-profit basis if one of its purposes is to en-gage in rural electrification or the promotion of the sale of Cooperative Services (including but not limited to electric energy and broadband internet services) or general economic improvement of the area.

ARTICLE XI - SEAL

The corporate seal of the Cooperative shall contain the words "Prentiss County Electric Power Association" or "Prentiss County Electric Cooperative", and such words as shall show the corporate nature of the Cooperative.

ARTICLE XII - AMENDMENTS

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

ATTEST:

PRESIDENT

SECRETARY