

PORTIONS OF THE NOLIN RECC BYLAWS THAT APPLY TO MEETINGS, BOARD MEMBERS AND ELECTION OF DIRECTORS

ARTICLE III MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETING.

The annual meeting of the members shall be held at such time and at such place within any county served by the Cooperative as selected by the Board and which shall be designated in the notice of the meeting for the purpose of transacting such 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. Failure to hold an annual meeting at the designated time shall not cause a forfeiture or dissolution of the Cooperative.

SECTION 2. SPECIAL MEETINGS.

Special meetings of the members may be called by resolution of the Board, or upon a written request signed by any four Board members, or by the Chair; and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within one of the counties served by the Cooperative as designated by the Board and shall be specified in the notice of the special meeting.

SECTION 3. NOTICE OF MEMBERS' MEETING.

Written or printed notice setting the place, day and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not less than ten days nor more than thirty days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting, to each member. Any such notice delivered by mail may be included with members' service billings or as an integral part or with the Cooperative's monthly newsletter and/or its monthly insert, if any, in the Kentucky Living. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 4. QUORUM.

One hundred (100) members present in person shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting. The minutes of each meeting shall have a list of the members present in person attached to the minutes.

SECTION 5. VOTING.

Each member shall be entitled to only one vote upon each matter submitted to a vote. All questions shall be decided by a vote of a majority of the members voting thereon in person except as otherwise provided by law, the Articles of Incorporation or these Bylaws. Voting by members other than members who are natural persons shall be allowed upon the presentation to the Cooperative, prior to, or upon registration at, each member meeting of satisfactory evidence entitling the person presenting the same to vote.

SECTION 6. 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, 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. Presentation of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver of the meeting, as the case may be.

3. Presentation of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, directors and committees.
5. Special orders.
6. Unfinished business.
7. New business.
8. Adjournment.

SECTION 7. MEMBER ADVISORY COMMITTEE.

A Member Advisory Committee shall be selected annually from the membership by the Board of Directors. This Committee shall consist of at least 50 members of the Cooperative and shall be selected not later than the March meeting of the Board of Directors each year. The purpose of this Committee shall be to serve the Cooperative in an advisory capacity, receiving from and conveying to the Board of Directors and the membership information helpful in the administration of an electric cooperative. It shall also be the responsibility of the member advisory committee to select the nominating committee for the Cooperative as set forth herein. One or more meetings of this Committee shall be held each year, and one meeting must be held not later than 90 days prior to the annual meeting of the membership.

ARTICLE IV BOARD MEMBERS

SECTION 1. GENERAL POWERS.

The business and policies of the Cooperative shall be the responsibility of a Board of Directors of six members, which shall exercise all of the powers of the Cooperative, except such as are by law, the Articles of Incorporation or these Bylaws conferred upon or reserved to the members. It is the philosophy of this Cooperative that each director is elected to serve the best interests of the entire membership, and not just their own district within the Cooperative.

SECTION 2. QUALIFICATIONS OF DIRECTORS.

A person shall be eligible to become a Board Member of the Cooperative who: (a) has attained the age of twenty-one (21) years, or more, and (b) is a member of the Cooperative and a bona fide resident for one year prior to their election of the Directorate District from which they are elected, as further defined in Section 3 of this Article IV (In order to be a "bona fide resident" they must have resided for the majority of the year in a residence within the Directorate District from which they are elected.); (c) is not in any way employed by or has more than a 10% interest in a competing enterprise engaged in distribution of electricity or a business selling services or products to the Cooperative, and (d) is not an employee of the Cooperative or a former employee who has a vested interest in the Cooperative, or who has been an employee in the past five years, or receives any remuneration from the Cooperative, other than remuneration for services rendered in serving as a member of the Board of Directors, and (e) is not a close relative of any incumbent director or of an employee or a retired employee of the Cooperative. ("Close relative" means a person who is related to the principal person to the third degree or less—that is a person who is either a spouse, child, step-child, grandchild, great-grandchild, parent, stepparent, grandparent, great-grandparent, brother, sister, aunt, uncle, nephew, or niece, by blood or in-law, of the principal.) A person who holds an elected public office (elected by the general public) with the exception of the office of Soil Conservation Supervisor, shall not be eligible to be a member of the Board of Directors.

Upon establishment that a Board member is holding office in violation of any of the foregoing provisions, the Board shall remove such Board member from office. Each Director must file annually with the cooperative a 'Conflict of Interest Statement' disclosing any potential conflicts of that Director.

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

SECTION 3. DIRECTORATE DISTRICTS.

The Cooperative’s directors shall be so nominated and elected that, the Board shall be comprised of one director from each of six Directorate Districts. Boundaries are designed to equalize the number of members living in each district.

The boundaries of each district are based on member service location numbers. Board districts are noted on monthly billing statements and will be provided by the Cooperative upon request by a member and designated on a master map maintained at the Cooperative office.

SECTION 4. TENURE OF DIRECTORS.

Upon their election, directors shall, subject to the provisions of these Bylaws with respect to the removal of directors, serve until the annual meeting of membership of the year in which their term expires or until their successors shall have been elected and shall have qualified. Beginning with the election for 2019, directors from each Directorate District shall be elected for 3-year terms according to the following schedule:

2019	2020	2021
District 2	District 1	District 3
District 6	District 4	District 5

After 2021, directors from each Directorate District shall continue to be elected for 3-year terms on the same rotating schedule listed above.

SECTION 5 (a). ELECTION OF DIRECTORS.

Nominating committees consisting of ten (10) members of the Cooperative shall be selected as follows:

- (1) At the spring meeting of the Member Advisory Committee, the members of the Member Advisory Committee shall divide into six (6) caucuses, with one caucus to represent each Directorate District.
- (2) Each caucus of the Member Advisory Committee shall select one member of the Cooperative from that Directorate District to serve on the nominating committee. These six (6) members shall be chosen first. In addition to these six (6), four (4) additional members of the Cooperative shall be chosen for the nominating committees from each Directorate District in which directorships are up for election. If the caucus from a Directorate District in which a director-ship is up for election is unable to get four (4) additional members from that district to serve, then less than four (4) additional members may serve with the core committee of six (6) to make up the nominating committee. Each year there will be two directorships up for election.
- (3) A majority of the members of the nominating committee (but not less than six) shall constitute a quorum of the committee to nominate directors.

The membership of the nominating committee may also be members of the Member Advisory Committee, but no employees of the Cooperative, directors or close relatives (as defined in Article IV, Section 2 (e) of these Bylaws) of incumbent directors or employees shall serve on the nominating committee. The secretary of the Cooperative shall convene the initial meeting of the nominating committee, and the committee shall then select its own Chairperson and thereafter, the committee shall meet at the time and place designated by the Chairperson. Notice of the time and place of meeting shall be given to each member by a letter deposited in the United States mail directed to them at the address of the member shown on the books of the Cooperative, not less than five days prior to the meeting, but any member may waive such notice in writing and does waive such notice if the member attends the meeting. The nominating committee shall continue in office for a period of one year or until its successor committee is selected by the Member Advisory Committee. The committee shall prepare and post at the principal office of the Cooperative at least sixty-five (65) days before the election date, a list of nominees for directors. One or more persons shall be nominated for each vacancy to be filled. No person shall be nominated as a candidate for the Board of Directors unless that person is duly qualified, and has been contacted by the nominating committee and indicated their willingness to have their name placed in nomination.

Fifty-five (55) days prior to the Annual Meeting, each nominee may furnish to the Cooperative Secretary a resume of their qualifications and a picture of the nominee; these (or edited versions thereof) shall be furnished to the membership prior to the election. Other campaigning is discouraged in an effort to promote a cooperative spirit in the election process.

A ballot shall be mailed to each active member of the Cooperative at least eight days before the date of the annual meeting. The ballot shall list persons nominated for the office of director as heretofore set out and shall contain a blank line upon which a member may vote for any person not nominated, but otherwise qualified.

Each active member may vote for the directors of their choice by marking in the space provided thereon and shall return their ballot to the office of the Cooperative in a self-addressed envelope provided for this purpose by the Cooperative. All ballots to be valid must be delivered to the office of the Cooperative not later than 10:00 a.m. the day of the annual meeting and shall be sealed in an envelope provided by the Cooperative for that purpose. All ballots shall be delivered in the sealed envelope to the election tellers. The election tellers shall count the same, certify the result of the election and the result shall be made public at the annual meeting of the Cooperative.

Each active member of the Cooperative shall be entitled to cast one vote for each vacancy to be filled, however, proxy voting or cumulative voting shall not be permitted.

Each candidate may name one election teller by notifying the Secretary of the Board in writing of their selection not later than ten days before the date of the annual meeting. The Board shall name such additional tellers as are necessary in the opinion of the Board. The election tellers thus selected shall meet at a time and place designated by the Board. The Secretary of the Board shall notify each teller when and where the meeting will be held. The tellers shall select a chair-person and the tellers shall open the envelopes containing the ballots in the presence of each other and count the same.

Any teller may challenge the validity of any ballot and if a majority of the tellers vote to uphold the challenge, the ballot shall not be counted.

The following ballots shall not be counted:

- (1) Unmarked ballots.
- (2) Ballots marked for more candidates than vacancies to be filled.
- (3) Ballots marked for more than one candidate for any one vacancy.
- (4) Ballots other than the official ballot mailed.
- (5) Ballots arriving late.

The following ballots may be counted:

- (1) Ballots on which the mark is not in the place provided, but does show the intention of the voter.
- (2) Ballots on which there is an erasure or change of intention shown, but the election tellers are of the opinion that the ballot has not been tampered with.

The tellers shall by the signature of a majority of the members certify the number of votes received by each candidate. The report shall be delivered by the chairperson of the tellers to the Chair of the Board and the result announced at the annual meeting.

The person nominated for director in their district receiving the highest number of votes as certified by the tellers is the person elected. If more than one person receives the same number of votes, the tellers shall at a meeting at a time and place to be fixed by them, at which due notice shall be given the nominees cause the nominees or their representatives, or in the absence of a nominee or their representatives, some person designated by the tellers to draw for the office, and the person drawing the slip marked “elected” shall be the person elected.

A complete copy of the Cooperative Bylaws is available at the Nolin RECC office or at www.nolinrecc.com.