

BYLAWS

of Pineland Telephone Cooperative, Inc.
as Modified • April 8, 2021



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PINELAND TELEPHONE COOPERATIVE, INC.

ARTICLE I

MEMBERSHIP

SECTION 1. Requirements for Membership. Any natural person, firm, association, corporation, other legally recognized entity, or body politic or subdivision thereof (hereinafter collectively called a "person") may become a member of PINELAND TELEPHONE COOPERATIVE, INC. (hereinafter called the "Cooperative") on the condition that such person has:

- (a) Made a written application for membership and service in the form prescribed by the Cooperative;
- (b) Agreed to purchase services from the Cooperative in accordance with established tariffs and as provided herein;
- (c) Agreed to comply with and be bound by the Articles of Incorporation and Bylaws of the Cooperative and all rules, regulations, and membership and service application terms as are adopted by the Board of Directors (the "Board")¹ from time to time,
- (d) Paid the membership fee specified herein and any security deposit, contribution in aid of construction, and such other fees or charges as may be set by the Board or provided in any rules, regulations, and membership application terms; however, an agreement to pay or payment of the membership fee in accordance with the provisions of these Bylaws by a landlord on behalf of an applicant for membership who is a tenant occupying premises owned by such landlord and served by the Cooperative shall constitute compliance by such tenant with this subsection (d); and
- (e) Satisfied all other reasonable conditions established for membership by the Board.

Should the Cooperative ascertain that it is providing service to a person who has not complied with, and upon written request refuses or fails to comply with, any one or more of these conditions, the Cooperative may terminate service to such person. A person, either individually or through a sole proprietorship, may not hold more than one membership in the Cooperative, and no membership in the Cooperative shall be transferable, except as provided in these Bylaws.

¹ The word "board" is used herein to refer to the board of directors or board of trustees.

SECTION 2. Membership Certificates. Membership in the Cooperative shall be evidenced by a membership certificate which shall be in such form, and shall contain such provisions, as shall be determined by the Board. Such certificate shall be signed by the President and the Secretary of the Cooperative and the corporate seal shall be affixed thereto. No membership certificate shall be issued for less than the membership fee specified herein, nor until such membership fee has been fully paid, unless waived by the Board as provided herein. If a certificate is lost, destroyed, or mutilated, then a new certificate may be issued therefor upon such uniform terms and indemnity to the Cooperative as the Board may prescribe.

SECTION 3. Joint Membership. A husband and wife may apply for a joint membership and, subject to their compliance with the requirements set forth in ARTICLE ISECTION 1 of this Article, may be accepted for such membership. The term "member" as used in these Bylaws shall be deemed to include a husband and wife 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:

- (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 wavier;
- (d) Notice to either shall constitute notice to both;
- (e) Expulsion of either shall constitute the expulsion of both;
- (f) Withdrawal of either shall constitute withdrawal of both;
- (g) Either, but not both concurrently, may be elected or appointed as an officer or director, but only if both meet the qualifications for such office; and
- (h) A debt, liability, or obligation of one joint member or both joint members to the Cooperative shall be a joint and several liability of each joint member to the Cooperative.

SECTION 4. Conversion of Membership; Effect of Death, Legal Separation, or Divorce upon a Joint Membership.

A membership may be converted to a joint membership upon (i) the written request of the member; (ii) the agreement by such member and his or her spouse to comply with the Articles of Incorporation, Bylaws, and rules, regulations, and membership application terms adopted by the Board from time to time; and (iii) if required by the Cooperative, the joint execution of an updated

application for membership. The outstanding membership certificate shall be surrendered, and shall be reissued by the Cooperative in such manner as shall indicate the changed membership status.

Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely by the survivor in the same manner and to the same effect as though such membership had never been joint. Upon the Cooperative's receipt of written notice and sufficient proof of the death of a spouse in a joint membership, (i) the outstanding membership certificate shall be surrendered and shall be reissued in such manner as shall indicate the changed membership status and (ii) the Cooperative shall assign and transfer to the surviving spouse the Capital Credits allocated, or to be allocated at the time of death, to the joint membership. In no event shall the estate of the deceased be released from any debts due to the Cooperative.

Upon the Cooperative's receipt of written notice and sufficient proof of the dissolution of marriage between spouses in a joint membership, the joint membership shall terminate, and if either spouse desires to become a member, he or she shall reapply for membership. Notwithstanding the forgoing, both spouses in a joint membership that terminates will continue to be jointly and severally liable for any debts due the Cooperative. In addition, unless otherwise instructed by a court or administrative body of competent jurisdiction, the Cooperative shall assign and transfer to each spouse one-half (1/2) of the Capital Credits allocated, or to be allocated at the time of dissolution, to the joint membership.

Each member shall be obligated to notify the Cooperative of a legal change in their status causing a termination of the joint membership (e.g., divorce, legal separation, or death). The Cooperative shall be entitled to rely on the statement of either joint member as to a change in status without obtaining the verification of the other joint member. The determination as to whether a membership is joint or individual shall be made by the Cooperative in its sole discretion.

SECTION 5. Membership Fees. Unless and until a different membership fee is established by the Board or is set forth in the rules, regulations, or membership application terms, the membership fee shall be five dollars (\$5.00). The Board may, in its sole discretion, elect to waive the membership fee in appropriate circumstances.

SECTION 6. Obligations of Members and Applicants for Membership.

Each member and applicant for membership shall be obligated to:

- (a) As soon as service is available, purchase service from the Cooperative, unless temporarily prevented from doing so by causes reasonably beyond the control of the applicant or member, and pay therefor monthly at rates in accordance with established tariffs as fixed by the Board from time to time.
- (b) Timely pay all sums due the Cooperative under the rates, tariffs, rules, regulations, and membership application terms promulgated from time to time by the Cooperative. When the member has more than one service from the Cooperative,

any payment for services by the member to the Cooperative shall be deemed to be allocated and credited on a pro rata basis to the member's outstanding accounts for all such service connections, regardless of how such payment is designated by the member;

- (c) Upon request by the Cooperative, execute and deliver to the Cooperative grants of easement or rights of way over, on, and under lands owned by the member, and in accordance with such reasonable terms and conditions as the Cooperative may require, for the furnishing of service to the member or other members or for the construction, operation, maintenance or relocation of the Cooperative's facilities, lines, and equipment for future members and applicants for membership;
- (d) Provide to the Cooperative a current address for communications and billing and promptly provide any change of address to the Cooperative;
- (e) Promptly notify the Cooperative of all changes in circumstances that may affect the member's status or relationship with the Cooperative (e.g., death, divorce, legal separation, dissolution, or name change); and
- (f) Comply with and be bound by the Articles of Incorporation, Bylaws, and any rules, regulations, and membership application terms adopted from time to time by the Board.

SECTION 7. Transfer of Membership.

Upon consolidation, merger, or sale of substantially all its assets, a member that is not a natural person may request the Cooperative to transfer its membership to a successor or a purchaser of such assets if such successor or purchaser (i) is otherwise eligible for membership and has met the requirements for membership set forth in ARTICLE I, (ii) has satisfied or made adequate provisions for the satisfaction of the member's outstanding liabilities and obligations to the Cooperative, and (iii) has satisfied any additional terms and conditions the Board may establish for such transfer, including without limitation, the payment of a reasonable fee for the transfer and the execution of such documents as the Cooperative may reasonably require.

SECTION 8. Withdrawal, Suspension, and Termination of Membership.

Any member may withdraw from membership upon payment in full of all debts, liabilities, and obligations of the member to the Cooperative and in compliance with such uniform terms and conditions as the Board may prescribe.

Upon a member's failure to pay for service provided to the member by the Cooperative within the time required, or upon the member's failure to comply with the member's obligations set forth in the Bylaws, rules, regulations, or membership application terms of the Cooperative, the membership rights of the member shall automatically be suspended, and the member shall not during such suspension be entitled to receive service from the Cooperative or to cast a vote at any meetings of

the members. If within sixty (60) days from the date of such suspension, the member pays all sums required by the Bylaws and the rules, regulations, and membership application terms for reinstatement of service, and satisfactorily corrects any other non-compliance with the rules, regulations, and membership application terms, then such member's membership shall be automatically reinstated, in which event the member shall thereafter be entitled to receive service from the Cooperative and to vote at the meetings of the members.

The membership of a member who for a period of thirty (30) days after service is available to that member has not permitted the installation of service, or of a member who has ceased to purchase service from the Cooperative, may be terminated by resolution of the Board.

A member will be deemed to have withdrawn and terminated the member's membership in the Cooperative upon:

- (a) The member's failure to timely reinstate the member's membership which has been suspended in accordance with this Section;
- (b) The member's withdrawal from membership in accordance with this Section;
- (c) The death of the member, if such member is a natural person; or
- (d) The cessation of the legal existence of the member, if such member is other than a natural person; however, upon the dissolution for any reason of a partnership, or upon the withdrawal or addition of any individual partner, such membership shall continue to be held by such remaining partner or partners, including any additional partners, that continue to purchase services from the Cooperative or continue to own or directly occupy or use the premises to which service is being furnished pursuant to such membership.

The Board may, by the affirmative vote of not less than two-thirds of all the directors, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, Bylaws, rules, regulations, or membership application terms, but only if such member shall have been given written notice by the Cooperative that such failure makes him or her susceptible 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.

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 or her estate from the debts due the Cooperative.

If a membership fee has been paid by a landlord on behalf of a tenant, upon removal of such tenant from the premises of the landlord, the membership of such tenant shall terminate.

Upon termination of membership for any reason, the Cooperative shall not repay the membership fee to the member or, if paid on behalf of the member by a landlord, to such landlord, unless a successor in occupancy or ownership of the premises served by the Cooperative shall have been accepted as a member and a membership fee shall have been paid by or on behalf of such successor in accordance with the provisions of these Bylaws. Any refund of membership fee pursuant to this subsection shall be made in the order in which memberships shall have been terminated. Prior to the repayment of a membership fee, the Cooperative shall setoff against such membership fee the amount of any debts from the member to the Cooperative.

SECTION 9. Voting Districts. The territory served or to be served by the Cooperative shall be divided into nine districts for the purpose of nomination and election of directors and each district shall contain as nearly as possible the same number of members. Each district shall be represented by one director. The original nine districts shall be as follows:

- | | |
|----------------|---|
| District No. 1 | Lexsy and Oak Park Telephone Exchange areas. |
| District No. 2 | Bartow and Davisboro Telephone Exchange areas. |
| District No. 3 | Twin City Telephone Exchange area except that part north of the Garfield (1429th) GMD. |
| District No. 4 | Midville Telephone Exchange area and that part of the Twin City Exchange area north of the Garfield (1429th) GMD. |
| District No. 5 | The area within the Metter Telephone Exchange area and Cobbtown Exchange area south of the Stillmore Highway and west of Georgia State Highway No. 121. |
| District No. 6 | Adrian and Kite Telephone Exchange areas. |
| District No. 7 | Northeast Metter Telephone area, which area is north of Georgia State Highway No. 46 and east of Georgia State Highway No. 121, including Lanier (1733rd) GMD. |
| District No. 8 | Northwest Metter Telephone area, which area is north of the Stillmore Highway and west of Georgia State Highway No. 121, excluding Lanier (1733rd) GMD. |
| District No. 9 | Southeast Metter Telephone area, which area is south of Georgia State Highway No. 46 and east of Georgia State Highway No. 121, including Cobbtown Telephone Exchange area east of Georgia State Highway No. 121. |

Not less than sixty (60) days before any meeting of the members at which directors are to be elected, the Board shall review the composition of the several districts and, if it should be found that inequalities in representation have developed which can be corrected by a redelineation of districts, the Board shall reconstitute the districts so that each shall contain as nearly as possible the same number of members.

ARTICLE II

RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. Property Interest of Members. Upon dissolution, after:

- (a) All debts and liabilities of the Cooperative shall have been paid;
- (b) All capital furnished through patronage shall have been retired as provided by these Bylaws, and
- (c) All membership fees 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 over the ten-year period before dissolution bears to the total patronage of all members over such period, unless otherwise provided by law.

SECTION 2. Non-liability for Debts of the Cooperative. The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

ARTICLE III

MEETINGS OF MEMBERS

SECTION 1. Annual Meeting. The annual meeting of the members shall be held at a date set by the Board at such place within a 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 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. Failure to hold the annual meeting at the designated time shall not work 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 three directors, by the President, or by not less than 200 members or by ten percent (10%) of all the members, whichever is less, and it shall

thereupon be the duty of the Secretary to cause notice of such meeting to be given as provided herein. 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' Meetings. Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered to each member not less than ten (10) days nor more than twenty-five (25) 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. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at the address appearing on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual meeting or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting. Further, the attendance of a member at any meeting of the members shall constitute a waiver of notice of time, place, and purpose 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 grounds that the meeting was not lawfully called or convened, and such person files in writing such objection with the Secretary of the Cooperative at the time of attendance.

SECTION 4. Quorum. Fifty (50) members or two percent (2%) of the total number of members, whichever is greater, 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.

SECTION 5. Voting. Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. 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.

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. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be;
3. Reading 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. Election of directors;
6. Unfinished business;
7. New business; and
8. Adjournment.

Notwithstanding the foregoing, the Board may from time to time establish a different order of business for the purpose of assuring the earlier consideration of and action upon any items of business the transaction of which is necessary or desirable in advance of any other items of business; however, no business other than adjournment of the meeting may be transacted unless and until the existence of a quorum is first established. If a revised order of business is established by the Board, notice of the revised order shall be provided in the notice of the meeting.

SECTION 7. Robert's Rules of Order.

Parliamentary procedure at any meeting of the members shall be governed by the most recent edition of Robert's Rules of Order, except to the extent such procedure is otherwise controlled by law, the Articles of Incorporation, or these Bylaws. Any failure to conduct the meeting in compliance therewith, however, shall not render invalid any action taken at the meeting unless objection citing such failure is made at the time such action is taken.

ARTICLE IV

DIRECTORS

SECTION 1. General Powers. The business and affairs of the Cooperative shall be managed by a board of ten (10) directors, 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.

SECTION 2. Election and Tenure of Office.

Except as otherwise provided herein, directors shall be elected by secret ballot by and among the members.

The Board is divided into three classes consisting of three directors. The first class consists of one director each from districts numbered 1, 4, and 7. The second class consists of one director each from districts numbered 2, 5, and 8. The third class consists of one director each from districts numbered 3, 6, and 9. At each annual meeting, directors from the respective districts shall be elected to succeed those directors whose terms of office have expired, to serve for a period of three (3) years or until their successors have been elected.

There shall be a tenth director who shall be known as a director at large, representing the entire area served by the Cooperative. The director at large shall be elected by the members, to serve for a period of three (3) years or until a successor has been elected by the members.

If an election of directors shall not be held on the day designated in these Bylaws for the annual meeting or at any adjournment thereof, the Board shall, within a reasonable time thereafter, cause an election to be held at a special meeting of the members for the purpose of electing directors.

Notwithstanding the foregoing, when a nominee elected by the nominating committee, as provided herein, has no opposition, secret written ballots may be dispensed with, in respect to that particular election, and said nominee may be elected by acclamation or in any other proper manner.

SECTION 3. Qualifications. No person shall be eligible to become or remain a Director of the Cooperative:

- (a) Unless such person is a member and bona fide resident of the area served or to be served by the Cooperative; or
- (b) Unless such person is not in any way employed by or financially interested in a competing enterprise or a business engaged in selling telephone service or supplies, or constructing or maintaining telephone facilities, other than a business operating on a cooperative non-profit basis for the purpose of furthering rural telephony; or
- (c) If such person is or was employed by the Cooperative or its affiliates during the five-year period ending on the date any term sought by such person would begin, if seated.

Upon establishment of the fact that a director is holding the office in violation of any of the provisions hereof, the Board shall remove such director from office. Upon establishment of the fact that a nominee or candidate for Director is in violation of any of the foregoing provisions, such person shall be removed from consideration.

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

SECTION 4. Nominations.

It shall be the duty of the Board to appoint, not less than forty (40) days nor more than seventy (70) days before the date of a meeting of the members at which directors are to be elected, a committee on nominations consisting of not less than five (5) nor more than eleven (11) members who shall be selected from different districts so as to ensure equitable representation. No director may serve on such committee. The committee, keeping in mind the principle of equitable representation and the districts from which directors are to be elected, shall prepare and post at the principal office of the

Cooperative at least thirty (30) days before the meeting a list of nominations for directors, which shall include one candidate for each director to be elected.

Any fifteen (15) or more members acting together may make other nomination petitions not less than twenty (20) days prior to the meeting. If such nominees satisfy the qualifications herein and, if applicable, are from the appropriate districts, 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 ten (10) days before the date of the meeting, a statement of the number of directors to be elected and the names and addresses 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 election shall list the names of the candidates nominated by the committee and the names of the candidates nominated by petition, if any. No member may nominate more than one candidate.

SECTION 5. Removal of Directors. (a) By the Members: Any member 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 (10%) of the members or 200 members, whichever is less, may request the removal of such director by reason thereof. Such director shall be informed in writing of the charges at least ten (10) 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 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 and 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 nominations. (b) By the Board: Any director may be removed as a director by the three-fourths vote of the Board, excluding the director whose removal is voted upon. If the Board votes to remove the director, then the director is removed effective as of the time and date of the Board's vote.

SECTION 6. Vacancies. Subject to the provisions of these Bylaws with respect to the filling of vacancies caused by the removal of directors by the members, 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. 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 a meeting of the members without compliance with the foregoing provisions in respect to nominations.

SECTION 7. Compensation. Directors shall receive such compensation, in such amounts and form of payment, as is fixed by resolution of 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. No close relative of a director shall receive compensation for serving 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 such close relative shall have been certified by the Board as an emergency measure.

SECTION 8. Power to Appoint Committees. Except where the composition of a committee is established by these Bylaws, the President or the Board may establish and abolish committees comprised of Directors or others. Such committees shall not have any of the powers of the Board, and shall perform such functions as are assigned specifically to them for the purpose of advising or making recommendations to the Board.

ARTICLE V

MEETINGS OF BOARD

SECTION 1. Regular Meetings. A regular meeting of the Board shall be held without notice, immediately after, and at the same place as, the annual meeting of the members. A regular meeting of the Board shall also be held monthly at such date, time, and place within one of the counties served by the Cooperative as designated by the Board. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof.

SECTION 2. Special Meetings. Special meetings of the Board may be called by the President or by any three 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 3. Notice of Special Board Meetings. Written notice of the time, place, and purpose of any special meeting of the Board shall be delivered to each director either personally or by mail, by or at the direction of the Secretary, or upon a 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 address as it appears on the records of the Cooperative, with postage thereon prepaid, at least five (5) days before the date set for the meeting. Notice of a special meeting need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except when 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, which objection shall be voiced at the commencement of the meeting.

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

SECTION 5. Action of Board.

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, except as otherwise provided in these Bylaws.

Directors may participate in a meeting of the Board by means of conference, telephone, or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting in this manner shall constitute presence in person at such meeting. Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if written consent, setting forth the action so taken, is signed by all the directors and filed with the minutes of the proceedings of the Board.

ARTICLE VI

OFFICERS

SECTION 1. Number. 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 2. Election and Term of Office. The officers shall be elected by ballot, 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 may be convenient. Each officer shall hold office until the first meeting of Board following the next succeeding annual meeting of the members or until his successor shall have been elected and shall have qualified. Except as otherwise provided in these Bylaws, the vacancy in any office shall be filled by the Board for the unexpired portion of the term.

SECTION 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 interests of the Cooperative will be served thereby. In addition, any member 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 (10%) of the members or 200 members, whichever is less, may request the removal of such officer. The officer against whom the charges have been brought shall be informed in writing of the charges at least ten (10) 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 shall have the same opportunity. In the event the Board does not remove such officer, the question of his removal may be considered and voted upon at the next meeting of the members.

SECTION 4. President. The President shall:

- (a) Be the principal executive officer of the Cooperative and, unless otherwise determined by the members or the Board, shall preside at all meetings of the members and the Board;

- (b) Sign, with the Secretary, certificates of membership, the issuance of which shall have been authorized by the Board or the members, and may 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 Bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- (c) In general, perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

SECTION 5. Vice President. In the absence of the President, or in the event of his or 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 from the Board.

SECTION 6. Secretary. The Secretary shall be responsible for:

- (a) Keeping the minutes of the meetings of the members and of the Board in books provided for that purpose;
- (b) Seeing that all notices are duly given in accordance with these Bylaws 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 all certificates of membership prior to the issuance thereof, and to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these Bylaws;
- (d) Keeping a register of the names and post office addresses of all members;
- (e) Signing, with the President, certificates of membership, the issuance of which shall have been authorized by the Board or the members;
- (f) Keeping on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Cooperative, furnishing a copy of the Bylaws and of all amendments thereto to each member upon request; and

- (g) In general, performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to such Secretary by the Board.

SECTION 7. 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 Bylaws; 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 to such Treasurer by the Board.

SECTION 8. Manager. The Board may appoint a manager who may be, but who shall not be required to be, a member of the Cooperative. The manager shall perform such duties and shall exercise such authority as the Board may from time to time vest in such manager.

SECTION 9. Compensation. The powers, duties, and compensation of officers, agents, and employees shall be fixed by the Board subject to the provisions of these Bylaws with respect to compensation for directors and close relatives of directors.

SECTION 10. Reports. At each annual meeting of the members, the officers of the Cooperative shall submit 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

NON-PROFIT OPERATION

SECTION 1. Cooperative Operation; 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. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons. The term "patron" means a member or any other person receiving services from the Cooperative and to whom the Cooperative is obligated to allocate Capital Credits, as provided herein, which obligation existed before the Cooperative received payment for such services. No person who is not a member of the Cooperative is a patron hereunder unless and until the Board passes a written resolution or policy authorizing the Cooperative to treat such person as a patron.

SECTION 2. Patronage Capital.

In the furnishing of telephone and other communication services, the Cooperative's operations shall be so conducted that all patrons will through their patronage furnish capital for the Cooperative.

Patronage Earnings and Allocations. The Cooperative shall, at the end of each fiscal year, allocate among patrons on a patronage basis (“Patronage Allocations”) all amounts received and receivable from the furnishing of telephone services, information services, other communication services, and television services in excess of costs and expenses properly chargeable against such services (“Patronage Net Margins”). Patronage Allocations shall be made solely in each patron’s name as shown on the Cooperative’s books and records.

All Patronage Net Margins at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons as capital contributions and shall be credited to each such patron’s capital account (“Capital Credits”). Capital Credits allocated among patrons’ capital accounts shall have the same status as though the Cooperative paid the amount allocated to the patron in cash pursuant to a pre-existing legal obligation and the patron contributed the corresponding amount to the Cooperative as capital.

The Cooperative shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to his account. The Board will determine the manner, method, and timing of Patronage Allocations and may create classes of patrons for the purpose of allocating Capital Credits.

SECTION 3. Non-Patronage and Other Earnings. All other amounts received by the Cooperative from its operations or otherwise, including non-patronage earnings, in excess of costs and expenses properly chargeable thereto shall, insofar as permitted by law, be (i) used to offset any losses incurred during the current or any prior fiscal year and (ii) to the extent not needed for that purpose, placed in an unallocated equity account. Notwithstanding the foregoing, amounts actually received as dividends from subsidiaries will be allocated among the members as Capital Credits.

SECTION 4. Losses. To the extent the Cooperative incurs a loss, the Board may elect to: (i) allocate such loss, or portion thereof, to patrons on a patronage basis in the same manner as provided herein with respect to Patronage Allocation of Patronage Net Earnings, unless such allocation violates any law or legal obligation of the Cooperative; or (ii) offset such loss, or portion thereof, against Patronage Earnings or non-patronage earnings generated in succeeding fiscal years, unless such offsetting violates any law or legal obligation of the Cooperative. The Cooperative may determine losses with respect to specific service units, such as telephone service, other communications service, or other services.

SECTION 5. Use of Unretired Funds. The Cooperative may use or invest unretired Capital Credits and other capital as determined by the Board.

SECTION 6. Retirement of Capital Credits. 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 membership fees are repaid and payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the Board determines that the financial condition of the Cooperative will not be impaired thereby, Capital Credits may be retired in full or in part. After April 2, 1997, the Board shall determine the method, basis, priority, and order of retirement, if any, for all Capital Credits. Notwithstanding any other provision herein, the Board has complete discretion in determining when to retire Capital Credits and the effect any potential retirement would have on the financial condition of the Cooperative.

Except as otherwise provided herein, all retirements of Capital Credits shall be paid to the patron or former patron whose name is shown on the Cooperative's books and records. At all times, patrons and former patrons shall continuously update their addresses with the Cooperative, and they acknowledge that the failure to do so may result in not receiving payment of retired Capital Credits. The Board may impose a reasonable and periodic dormancy or service charge if a patron or former patron fails to receive and claim retired Capital Credits.

As determined by the Board, before the time the Cooperative anticipates normally retiring Capital Credits, the Cooperative may, in the Board's sole discretion, retire some or all Capital Credits and pay the net present value thereof ("Discounted Retirement"). In such case, the Board shall specify a reasonable discount rate, discount period, and any other factor necessary to determine such net present value. The Board may specify terms and conditions of Discounted Retirement, including but not limited to the treatment of any discount and requiring indemnity in favor of the Cooperative.

SECTION 7. Discounted Retirement for Deceased Natural Persons. Notwithstanding any other provision of these Bylaws, upon the death of a patron or former patron who is a natural person, if the legal representatives of the estate shall request in writing, the Board shall have the authority, in its sole discretion, to retire such patron's or former patron's Capital Credits, in whole or in part, at a time prior to the time such Capital Credits would otherwise be retired upon such terms and conditions as the Board prescribes, as long as the financial condition of the Cooperative will not be impaired thereby. The provisions governing Discounted Retirement apply to this Section.

SECTION 8. Assignment of Capital Credits. Capital Credits shall be assignable only on the books of the Cooperative pursuant to written instructions from the assignor and only to successors in interest or successors in occupancy in all or a part of such patron's premises served by the Cooperative unless the Board, acting under policies of general application, shall determine otherwise. The Board may specify a form required for any proposed assignment. In the event that a non-member patron qualifies and becomes a member of the Cooperative, the Capital Credits of such non-member patron may, at the discretion of the Board, be applied toward the payment of a membership fee on behalf of such non-member patron.

SECTION 9. Set-Off Right; Accelerated Retirement for Delinquent Accounts. Regardless of a statute of limitation or other time limitation, the Cooperative may recoup, offset, or setoff an amount owed to the Cooperative by a patron or former patron, including any interest and late payment fee, by reducing the amount of retired Capital Credits paid to the patron or former patron by the amount

owed to the Cooperative. If permitted by applicable laws, the Board may elect, in its sole discretion, to retire Capital Credits of a current or former patron with a delinquent account before the time the Cooperative anticipates normally retiring and paying Capital Credits, and in such case, the provisions hereof governing Discounted Retirement shall apply.

SECTION 10. Uncertain Entitlement. If the Cooperative is uncertain about a person's entitlement to retired Capital Credits (such as when a person is not identified as a patron or former patron on the books and records of the Cooperative), it may withhold such retired Capital Credits until such person provides adequate documentation to the satisfaction of the Cooperative that such person is entitled to receive such retired Capital Credits. In such cases, the Cooperative may also require, among other things, such person to execute an agreement to indemnify the Cooperative against future claims for such retired Capital Credits or any other loss or threatened loss related to the payment of retired Capital Credits to such person.

SECTION 11. Effect of Bylaws.

The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract between the Cooperative and each patron, and both the Cooperative and the patrons are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions. In addition to all other terms and conditions hereof, each patron and former patron specifically agrees that:

- (a) Capital Credits are not securities under state or federal law;
- (b) The patron's or former patron's right to Capital Credits vests and becomes payable only upon the retirement of the Capital Credits as provided in these Bylaws and as determined in the Board's sole discretion, and not upon the allocation of Capital Credits; and
- (c) If required by applicable law, each patron or former patron will report all allocated or retired Capital Credits and pay any appropriate tax thereon.

ARTICLE VIII

DISPOSITION OF PROPERTY

The Cooperative may not sell, mortgage, lease, or otherwise dispose of or encumber all or any substantial portion of its property unless such sale, mortgage, lease, or other disposition or encumbrance is authorized at a meeting of the members thereof by the affirmative vote of not less than two-thirds (2/3) of all of the members, and unless the notice of such proposed sale, mortgage, lease, or other disposition or encumbrance shall have been contained in the notice of the meeting. Notwithstanding the foregoing, the Board shall have full power and authority, without authorization

by the members, 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, wherever acquired and wherever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the Board shall determine, to secure any indebtedness of the Cooperative to the United States of America or any instrumentality or agency thereof. Notwithstanding the foregoing, upon the authorization of a majority of those members present at a meeting of the members, the Board may sell, lease, or otherwise dispose of all or a substantial portion of its property to another cooperative or foreign corporation doing business in this State pursuant to the Act under which the Cooperative is incorporated.

ARTICLE IX

SEAL

The corporate seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal Georgia." In the event it is inconvenient to affix such a seal at any time, the words "Corporate Seal," "Seal," or similar terms signifying a corporate seal, along with the signature of an officer signing for and on behalf of the Cooperative, shall be the seal of the Cooperative.

ARTICLE X

FINANCIAL TRANSACTIONS

SECTION 1. Contracts. Except as otherwise provided in these Bylaws or by law, the Board may authorize any officer or officers, agent 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. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the Cooperative by any contract or to pledge its credit or to render it liable for any sum of money, or for any other purpose.

SECTION 2. Financial Instruments. 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, 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. Deposit. 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 as the Board may select or as may be selected by any officer of the Cooperative to whom such power may be delegated from time to time by the Board.

SECTION 4. Change in Rates. If required, written notice shall be given to the Administrator of the Rural Utilities Service of the United States of America not less than ninety (90) days prior to the

date upon which the proposed change in the rates charged by the Cooperative for telephone service becomes effective.

SECTION 5. Fiscal Year. The fiscal year of the Cooperative shall begin on the first day of January each year and shall end on the thirty-first day of December of the same year.

ARTICLE XI

MISCELLANEOUS

SECTION 1. Business Conducted. Unless prohibited by law, the Cooperative may engage in any business determined by the Board in its sole discretion to be beneficial to the general, long-term interests of the Cooperative.

SECTION 2. Policies, Rules, and Regulations. The Board shall have power to make and adopt such policies, rules, regulations, and membership application terms that are not inconsistent with law, the Articles of Incorporation, or these Bylaws as it may deem advisable for the management of the business affairs of the Cooperative.

SECTION 3. Accounting System and Reports. The Board shall cause to be established and maintained a complete accounting system which, among other things, and subject to 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 Administrator of the Rural Utilities Service of the United States of America. The Board shall also cause to be made by a certified public accountant a full and complete annual audit of the accounts, books, and financial condition of the Cooperative. The results of such audit shall be reported to the members at the next following annual meeting.

SECTION 4. Notices. Unless prohibited by law, the Cooperative may elect, in lieu of transmission by mail, to transmit any notice or other communication identified herein, including annual notice of Patronage Allocations, to members by electronic means. This provision shall not apply to notice of member meetings.

ARTICLE XII

AMENDMENTS

Unless otherwise specified by law, these Bylaws may be altered amended, or repealed by the Board of Directors at a regular or special meeting of the Board of Directors, or by the members at a regular or special meeting, as long as notice of intention to do so is given with the notice of such meeting, and a copy of the changes or additions are kept in the office of the Cooperative for inspection by the members.

ARTICLE XIII

INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS

SECTION 1. Scope of Indemnification. 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 investigative (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 attorney 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. 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 believed to be in, or not opposed to, the best interests 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 2. Indemnification for Good Faith Action. 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, agent of another Cooperative, association, corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney 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. 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 3. Cost of Defense Indemnified. 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 in Sections 1 and 2 of this Article, in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorney fees) actually and reasonably incurred by such person in connection therewith.

SECTION 4. Amount of Indemnification. Any indemnification under Sections 1 and 2 of this Article (unless ordered by a court) shall be made by the Cooperative only as authorized in the specific case, upon a determination that indemnification of the Director, officer, employee, or agent

is proper in the circumstances because such person has met the applicable standard of conduct set forth in Sections 1 and 2 of this Article. Such determination shall be made:

- (a) By the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceedings; or
- (b) If such a quorum is not obtainable, or if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; or
- (c) By the members.

SECTION 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 such person is entitled to be indemnified by the Cooperative as authorized in this Article.

SECTION 6. Rights of Persons Indemnified. The indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any Bylaws, agreement, vote of members or disinterested Directors, or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who 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. 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.

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As determined by the Board, before the time the Cooperative anticipates normally retiring Capital Credits, the Cooperative may, in the Board's sole discretion, retire some or all Capital Credits and pay the net present value thereof ("Discounted Retirement"). In such case, the Board shall specify a reasonable discount rate, discount period, and any other factor necessary to determine such net present value. The Board may specify terms and conditions of Discounted Retirement, including but not limited to the treatment of any discount and requiring indemnity in favor of the Cooperative.

SECTION 7. Discounted Retirement for Deceased Natural Persons. Notwithstanding any other provision of these Bylaws, upon the death of a patron or former patron who is a natural person, if the legal representatives of the estate shall request in writing, the Board shall have the authority, in its sole discretion, to retire such patron's or former patron's Capital Credits, in whole or in part, at a time prior to the time such Capital Credits would otherwise be retired upon such terms and conditions as the Board prescribes, as long as the financial condition of the Cooperative will not be impaired thereby. The provisions governing Discounted Retirement apply to this Section.

SECTION 8. Assignment of Capital Credits. Capital Credits shall be assignable only on the books of the Cooperative pursuant to written instructions from the assignor and only to successors in interest or successors in occupancy in all or a part of such patron's premises served by the Cooperative unless the Board, acting under policies of general application, shall determine otherwise. The Board may specify a form required for any proposed assignment. In the event that a non-member patron qualifies and becomes a member of the Cooperative, the Capital Credits of such non-member patron may, at the discretion of the Board, be applied toward the payment of a membership fee on behalf of such non-member patron.

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phone + internet + technology + security

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