

Bulloch County Rural Telephone Cooperative, Inc.

Bylaws

As Revised and Adopted May 22, 2016

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 “persons”) will become a member of BULLOCH COUNTY RURAL TELEPHONE COOPERATIVE, INC. (hereinafter called the “Cooperative”) upon receipt of telephone or other communication services from the Cooperative, provided that the following conditions have been satisfied:

- (a) The person has made a written application for membership in the form prescribed by the Cooperative;
- (b) The person has agreed to purchase services from the Cooperative in accordance with established tariffs and as hereinafter specified;
- (c) The person has agreed to comply with and be bound by the Articles of Incorporation and Bylaws of the Cooperative and any rules, regulations, and membership application terms adopted from time to time by the Board of Directors (the “Board”);
- (d) The person has paid any membership fee, security deposit, contribution in aid of construction, and such other fees or charges as may be set by the Board or set forth in the rules, regulations, and membership application terms of the Cooperative; and
- (e) The person has 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.

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 by 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, 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, 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 Section 1 of this Article, may be accepted for 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 waiver;
- (d) Notice to either shall constitute notice to both;
- (e) Expulsion of either shall constitute the expulsion of both for the purpose of Section 8 of this Article;
- (f) Withdrawal of either shall constitute withdrawal of both for the purpose of Section 8 of this Article;
- (g) Either, but not both concurrently, may be elected or appointed as an officer or Director, provided that 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; 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 receiving 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; provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.

Upon the Cooperative receiving 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 responsible to notify the Cooperative of a legal change in the 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, and membership application terms of the Cooperative, the membership fee shall be ten dollars (\$10.00). 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 shall pay for service monthly at rates in accordance with established tariffs as fixed from time to time by the Board;

- (b) Timely pay all sums due the Cooperative under the rates, tariffs, and 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 service 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 this 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 FROM MEMBERSHIP; 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 these Bylaws and the rules, regulations, and 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 the member, within sixty (60) days from the date of such suspension, pays all sums required by the Bylaws and the rules, regulations, and membership application terms for reinstatement of service, and shall satisfactorily correct any other non-compliance with the rules, regulations, and membership application terms of the Cooperative, 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 its 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 cancelled 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; provided that 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.

A member may be expelled from membership pursuant to such reasonable terms and conditions as may from time to time be adopted by the Board.

Upon the withdrawal, termination, 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 the member's estate from any debts due the Cooperative.

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 in 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 bears to the total patronage of all members during the ten years preceding the date of the filing of the certificate of dissolution.

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 during the month of May of each year at such date, time and 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, upon a written request signed by any three Directors, by the President, or upon written request signed by not less than 200 members or by ten percent (10%) of all the members, whichever shall be the lesser, 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' 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 not less than ten (10) days nor more than twenty (20) 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. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at the member's address as it appears on the records of the Cooperative, with postage prepaid thereon. 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.

As long as the total number of members does not exceed five hundred (500), ten percent (10%) of the total number of members, present in person, shall constitute a quorum. In case the total number of members shall exceed five hundred (500), fifty (50) members or two percent (2%) of the members, present in person, whichever shall be the larger, 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 from time to time without further notice. The minutes of each meeting shall contain a list of the members present in person.

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:

- (a) Report on the number of members present in person in order to determine the existence of a quorum;
- (b) 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;
- (c) Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon;
- (d) Presentation and consideration of reports of officers, trustees, and committees;
- (e) Election of Directors;
- (f) Unfinished business;
- (g) New business; and
- (h) 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; provided, however, that no business other than adjournment of the meeting to earlier time and place 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 the Board of Directors consisting of nine (9) 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.

Directors shall be elected by secret ballot at each annual meeting of the members by and from the members to serve until the next annual meeting of the members or until their successors shall have been elected and shall have qualified. Notwithstanding the foregoing, when a nominee elected by the Nominating Committee 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. Three (3) Directors shall be elected at each annual meeting for a three (3) year term, to provide for staggered terms for Directors. If an election of Directors shall not be held on the day designated herein for the annual meeting, or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing Directors within a reasonable time thereafter. Directors shall be elected by a majority vote of the members attending the annual meeting or special meeting.

SECTION 3. QUALIFICATIONS.

No person shall be eligible to become or remain a nominee for Director or a Director unless:

- (a) Such person is a member of the Cooperative and a bona fide resident of the area served by the Cooperative; and
- (b) 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.

Each exchange shall be represented by a Director who is a subscriber of that exchange but no more than two Directors shall be subscribers of the same telephone exchange.

Upon establishment of the fact that a Director is holding the office in violation of any of the foregoing provisions, 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 thirty (30) days nor more than sixty (60) days before the date of a meeting of the members at which Directors are to be elected, a committee on nominations (the "Nominating Committee") consisting of not less than five (5) nor more than nine (9) members who shall be selected by the Board so as to give equitable representation to the geographical areas served by the Cooperative. The members on any such Nominating Committee shall not be candidates for Director, incumbent Directors, officers, or employees of the Cooperative. The Nominating Committee, keeping in mind the principle of equitable representation, shall prepare and post at the principal office of the Cooperative at least twenty (20) days before the meeting a list of nominations for Director positions.

The Secretary shall be responsible for mailing 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 at the meeting, and the names and addresses of each nominee, showing nominees nominated by the Nominating Committee separately from the nominees nominated by petition, if any.

Any fifty (50) or more members acting together, over their signatures, and not less than thirty (30) days prior to the meeting, may make other nominations by petition, provided that the signatures on all such petitions will be subject to verification by the Credentials and Election Committee (for the purpose of verification, the member's name shall be printed next to the member's signature). The President or Secretary, upon being personally presented with any such petition shall, immediately following verification of validity of the petition by the Credentials and Election Committee, post such nominations at the same place where the list of nominations made by the Nominating Committee is posted.

Any nominations, be it by Nominating Committee or petition must designate the Board seat for which the nominee desires to be a candidate. Any questions regarding the eligibility of candidates shall be determined by the Credentials and Election Committee. Any ineligible nominees will not be accepted, and no candidate will be considered, unless qualified by one (1) of the two (2) methods set out above.

SECTION 5. REMOVAL OF DIRECTORS BY MEMBERS.

Any member may seek removal of a Director by identifying just cause for removal related to the Director's duties and responsibilities of his or her position and, by filing with the Secretary such allegations in writing together with a petition signed by at least ten percent (10%) of all members of the Cooperative or two hundred (200) members, whichever is the lesser. Such Director shall be informed in writing of the allegations at least ten (10) days prior to the meeting of the

members at which the allegations 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 allegations. The person or persons asserting the allegations against such Director 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.

SECTION 6. VACANCIES.

Except as provided in Article IV, Section 5, a vacancy occurring in the Board for any reason shall be filled by the affirmative vote of a majority of the remaining Directors for the unexpired portion of the term; provided, however, that in the event the vacancy is not filled by the Board within sixty (60) days after the vacancy occurs, the members shall have the right to fill such vacancy at a meeting of the members without compliance with the foregoing provisions in respect to nominations.

Any Director who has been absent, without just cause, from six (6) Board meetings during a year, shall, by a majority vote of the Board, have his or her Board position declared vacant. The then-vacant position shall be filled as provided in the first paragraph of this Section. Illness of a Director attested by a physician shall be deemed just cause; otherwise, it shall be the responsibility of the remaining Directors by a majority vote to determine just cause.

SECTION 7. COMPENSATION.

Directors shall not receive any salary for their services as such, except Directors shall receive a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences, and training programs, or performing committee assignments when authorized by the Board. The fixed sum shall be twenty dollars (\$20.00) per Director for each Board meeting, subject to automatic and periodic adjustment for inflation pursuant to the Consumer Price Index published by the U.S. Bureau of Labor Statistics, or substantially similar inflation factor, with the base year as 1973. In addition to the fixed sum, Directors may also receive reimbursement for expenses actually and necessarily incurred in carrying out Cooperative business. No 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 his Close Relative shall have been certified by the Board as an emergency measure. For the purpose of these Bylaws, "Close Relative" includes grandparents, parents, husband, wife, children, grandchildren, brothers, sisters, uncles, aunts, nephews and nieces, by blood, by marriage, or by adoption, and spouses of any of the foregoing.

SECTION 8. CREDENTIALS AND ELECTION COMMITTEE.

The Board shall, within a reasonable time before any meeting of the members held for the purpose of the election of Directors, appoint a Credentials and Election Committee. Any Credentials and Election Committee shall consist of an uneven number of members, numbering at least three (3), who are not members of the Nominating Committee or existing Cooperative employees, agents, officers, Directors or known candidates for Director, and who are not Close Relatives of any of the foregoing. Each Credentials and Election Committee shall elect its own chairman and secretary.

It shall be the responsibility of the Credentials and Election Committee, once appointed:

- (a) To resolve any disputes or questions concerning the validity of the petitions of nomination and the qualification of candidates for election to the Board of the Cooperative;
- (b) To count all ballots or other votes cast in any election or in any other matter;
- (c) To rule upon the effect of any ballots or votes irregularly or indecisively marked or cast;
- (d) To resolve any dispute concerning the eligibility of any person to register to vote at such a meeting;
- (e) To resolve any dispute concerning the eligibility of any person to register to vote on behalf of an entity which is a member entitled to vote at such annual meeting;
- (f) To pass upon any protest or objection filed with respect to any election of Directors or to conduct affecting the results of any such election;
- (g) To establish or approve and oversee the manner of conducting member registration and voting; and
- (h) To rule upon all other questions that may arise relating to member voting and the election of directors.

In the exercise of its responsibility, the Credentials and Election Committee shall have available to it the advice of counsel provided by the Cooperative.

Any protest or objection concerning any ballot or vote must be filed during, or within three (3) business days following, the adjournment of the meeting in which the election is conducted. The Credentials and Election Committee shall, after the chairman's notice to all affected candidates, be reconvened. The Credentials and Election Committee shall hear such evidence as is presented by the protestors or objectors, who may be heard in person, by counsel, or both, and any opposing evidence. Credentials and Election Committee shall, within a reasonable time but not later than thirty (30) days after such hearing, render its decision, the result of which may be to

affirm the election, to change the outcome thereof, or to set it aside. The Credentials and Election Committee shall act by majority vote and may not act on any matter unless a majority of its members are present at a meeting. The Credentials and Election Committee's decision on all matters covered by this Section shall be final.

Without limiting the foregoing duties and prerogatives of the Credentials and Election Committee, on request of the person presiding at the meeting of the members or on the request of any member present at such meeting, such Credentials and Election Committee shall make a report in writing of any challenge, question, count, or matter determined by the Credentials and Election Committee and execute a certificate of any fact found by them. Any such report or certificate made by them shall be prima facie evidence of the facts stated and of the vote as certified by them.

SECTION 9. 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. When establishing (and abolishing) such committees, the President shall comply with such policies and rules and regulations, if any, as may from time to time be adopted by the Board with respect to such committees.

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 time, date 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 (3) Directors, and it shall thereupon be the duty of the Secretary to cause notice of such meetings to be given as hereinafter provided. The President or Directors calling the meeting shall fix the time, date and place for the holding of the meeting.

SECTION 3. NOTICE OF SPECIAL BOARD MEETINGS.

Written notice of the time, date, place, and purpose of any special meeting of the Board shall be delivered to each Director either personally or by mail or otherwise, 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 or her address as it appears on the records of the Cooperative, with postage prepaid thereon, 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, provided that if less than such majority of the Board 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. ACTION OF BOARD.

The vote of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the act of the Board, unless the vote of a greater number is required by law, the Articles of Incorporation, or these Bylaws.

The members of the Board or any committee designated by the Board may participate in a meeting of the Board or such committee 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.

SECTION 6. WRITTEN CONSENT.

Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a 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 of Directors.

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. All persons holding such offices must be Directors.

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 the Board following the next succeeding annual meeting of the members, or until his successor shall have been elected and shall have qualified, subject to the provisions of these Bylaws, with respect to the removal of officers. A 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 two hundred (200) members, whichever is the lesser, may request the removal of such officer. The officer against whom such charges have been brought shall be informed in writing of the charges at least 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 of the charges. The person or persons bringing the charges against such officer shall have the same opportunity. In the event the Board does not remove such officer, the question of such officer's 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 or 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 by 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) 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 issue thereof, and to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these Bylaws;
- (d) Keeping a register of the names and post office addresses of all members;
- (e) Signing, with the President, certificates of membership, the issue 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 any 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 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 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 him or her.

SECTION 9. 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. All premiums and expenses associated with the acquisition and maintenance of the bonds for such officers, agents or employees shall be paid by the Cooperative.

SECTION 10. 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 11. REPORTS.

At each annual meeting, 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.

SECTION 12. OFFICERS.

The Board shall have the power to create additional officers of the Cooperative and shall set forth the duties of any such officers created.

Article VII. NON-PROFIT OPERATION

SECTION 1. INTEREST OR DIVIDENDS ON CAPITAL PROHIBITED.

The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons. 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 CONNECTION WITH FURNISHING TELEPHONE AND OTHER COMMUNICATION SERVICES.

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. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to allocate among patrons, on a patronage basis (“Patronage Allocation”), all amounts received and receivable from the furnishing of telephone and other communication services in excess of costs and expenses properly chargeable against the furnishing of telephone and other communication 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 are treated 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.

Non-Patronage Earnings. All other amounts received by the Cooperative, including Non-Patronage Earnings and distributions actually received from subsidiaries, in excess of costs and expenses chargeable thereto shall, insofar as permitted by law, be:

- (a) Used to offset any losses incurred during the current or any prior fiscal year, and
- (b) To the extent not needed for that purpose, allocated to patrons on a patronage basis, and any amount so allocated shall be allocated as Capital Credits to the capital accounts of patrons in the same manner and under the same terms as provided herein with respect to Patronage Allocations of Patronage Earnings.

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 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.

Notice of Allocation; Methods of Allocation. The Cooperative shall, within a reasonable time after the close of the fiscal year, notify each patron of the amount of Capital Credits so credited to each such patron's 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.

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

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 payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the Board shall determine that the financial condition of the Cooperative will not be impaired thereby, Capital Credits may be retired in full or in part. 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 in 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.

Retirement of Capital Credits generated before June 1, 1998, shall be made in order of priority according to the fiscal year in which the capital was furnished and credited, the capital first received by the Cooperative being first-retired. With respect to Capital Credits generated on June 1, 1998, and thereafter, the Board shall determine the method, basis, priority, and order of retirement.

As determined by the Board, before the time the Cooperative anticipates normally retiring and paying Capital Credits, the Cooperative may, in the Board's sole discretion, retire some or all Capital Credits and pay the net present value thereof. In such case, the Board shall specify a

reasonable discount rate, discount period, and any other factor necessary to determine such net present value.

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 compounded 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 for accelerated retirement shall apply.

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.

Accelerated Retirement of Deceased Natural Persons' Capital Credits. Notwithstanding any other provision of these Bylaws, at any time upon the death of a patron or former patron who is a natural person, and upon the written request of the legal representatives of such patron's or former patron's estate, the Board shall have the power in its discretion to retire such Capital Credits, in whole or in part, at a time prior to the time such Capital Credits would otherwise be retired under these Bylaws upon such terms and conditions as the Board prescribes, as long as the financial condition of the Cooperative will not be impaired thereby. The Board may specify a form required for any proposed accelerated retirement. Among other terms and conditions, the Board may require any person applying to receive retired Capital Credits of a deceased patron or former patron 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.

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 3. AGREEMENT OF PATRONS AND FORMER PATRONS

Each patron and former patron 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 Cooperative retiring the Capital Credits as provided in these Bylaws, and not upon the Cooperative allocating the 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.

SECTION 4. 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. The provisions of this Article shall be called to the attention of each patron of the Cooperative by posting in the Cooperative's telephone directory, posting on the Cooperative's website, or posting in a conspicuous place in the Cooperative's office.

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 of the Cooperative, 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; provided, however, that notwithstanding anything contained herein, the Board of the Cooperative, without authorization by the members thereof, shall have full power and authority 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 shall determine, to secure any indebtedness of the Cooperative to the United States of America or any instrumentality or agency thereof; provided further that the Board may upon the authorization of a majority of those members of the Cooperative present at a meeting of the members thereof, 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 this 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, State of Georgia." In the event it is inconvenient to affix such a seal at any time, the words "Corporate Seal" or the word "Seal" accompanying 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. 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 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 become effective.

SECTION 5. FISCAL YEAR.

The fiscal year of the Cooperative shall begin on the first (1st) day of January of each year and shall end on the thirty-first (31st) day of December of the same year.

Article XI. MISCELLANEOUS

SECTION 1. TYPE OF BUSINESS TO BE 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, not inconsistent with law, the Articles of Incorporation, or these Bylaws, as it may deem advisable for the management of the business and 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 Administration 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. AREA COVERAGE.

The Board shall make diligent effort to see that telephone service is extended to all unserved persons within the Cooperative service area who:

- (a) Desire such service, and
- (b) Meet all reasonable requirements established by the Cooperative as a condition of such service, including any requirements set forth in these Bylaws.

SECTION 5. 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.

SECTION 6. PRIVACY

Notwithstanding any other provision herein, if applicable law prohibits the Cooperative from providing information about a member's service or patronage with the Cooperative, then the Cooperative may decline to provide such information without violation of these Bylaws.

Article XII. AMENDMENTS

These Bylaws may be altered, amended or repealed by the members at any regular or special meeting, provided that 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; provided, further, that Section 5 of Article III (relating to voting by members), and Article VIII (relating to disposition of property) may be altered, amended, or repealed only by the affirmative vote of not less than two thirds of all of the members of the Cooperative present at a meeting at which a quorum is present.

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.