

Bylaw Amendment for Joint Memberships

Article II – Membership

SECTION 1. Requirements for Membership.

- (a) Any person, which shall include but not be limited to any natural person, firm, partnership, incorporated or unincorporated association, corporation, business trust, financial institution, mortgagee, landlord, tenant, limited liability company or partnership, or body politic, or subdivision thereof shall become a member of Polk-Burnett Electric Cooperative (hereinafter called the "Cooperative") upon the execution and filing of a written application for membership in the Cooperative and the receipt, directly or indirectly, of electric service from the Cooperative.
- (b) No person as described above shall receive electric service from the cooperative without first having filed the application for membership.
- (c) The membership application and the direct or indirect receipt of electric energy from the Cooperative shall create a contract to purchase electric energy from the Cooperative as hereinafter specified; to comply with and be bound by the articles of incorporation and bylaws of the Cooperative, the policies, and the reasonable rules and regulations adopted by the board of directors.
- (d) Regardless of the number or relationship of persons, partners, associations, corporations or bodies politic or subdivisions thereof who, on the application for membership, are listed as responsible persons for the payment of electric service, and regardless of the number of such services held by any such person, no such person may hold more than one membership in the Cooperative and shall be entitled to no more than one vote at any meeting of members. Membership in the Cooperative shall not be transferable, except as provided in these bylaws.

SECTION 2. Purchase of Electric Energy.

Each member shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy purchased for use on the premises specified in the application for membership, and shall pay therefore at rates which shall from time to time be fixed by the board. Production or use of electric energy on such premises regardless of the source thereof, by means of facilities which shall be inter-connected with Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the Cooperative. It is expressly understood that amounts paid for electric energy in excess of the cost of service are furnished by membership capital through their patronage and each member shall be credited with the capital so furnished as provided by these bylaws. Each member shall pay the Cooperative such minimum amount regardless of the amount of electric energy consumed, as shall be fixed by the board from time to time. Each member shall also pay all amounts owed by the member to the Cooperative as and when the same shall become due and payable.

SECTION 3. Non-Liability for Debts of the Cooperative.

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

SECTION 4. Termination of Membership.

The Board of Directors may establish such rules and regulations, which shall be available upon request to the members providing for the termination of electric service, and thereby membership in the Cooperative, as it shall see fit in the proper exercise of its power and discretion consistent with the aims and service principles of the Cooperative. (See Article III.)

SECTION 5. Property Interest of Members.

Upon dissolution after:

- (a) All debts and liabilities of the Cooperative shall have been paid, and
- (b) All capital furnished through patronage shall have been retired as provided in the bylaws; 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 bears to the total percentage of all members during the ten calendar years next preceding the date of the filing of the certificate of dissolution, subject to and in accordance with such classifications of business formula as may have been employed in allocating patronage capital to such members during said ten- year period.

SECTION 6. Joint Memberships.

Persons who qualify to be members may hold a joint membership in the Cooperative (“Joint Membership”). A Joint Membership may consist only of two or more persons to or for which the Cooperative provides or will provide a Cooperative Service at the same location, each of whom qualifies to be a member and submits an application for membership. Each individual person within a Joint Membership may be referred to as a “joint member.” The records of the Cooperative shall properly show all Joint Memberships in the names of the joint members.

(a) **Creating a Joint Membership.** To become joint members of the Cooperative, qualified persons must jointly complete the application procedures and comply with the requirements set forth in Section 1 of this Article II. Upon receipt and acceptance of the joint application signed by each qualified person, such persons shall be deemed to hold a Joint Membership as joint members with right of survivorship.

(b) **Rights and Obligations of Joint Members.** Except as otherwise provided in these Bylaws, a joint member has and enjoys the rights, benefits, and privileges, and is subject to the obligations, requirements, and liabilities, of being a member. Joint members are jointly and severally liable for complying with the Cooperative’s Articles of Incorporation and Bylaws in addition to the policies and reasonable rules and regulations adopted by the board of directors, as may be amended or otherwise modified from time to time. As used in these Bylaws, a membership includes a Joint Membership and a member includes a joint member. For a Joint Membership:

1. Notice of a meeting provided to one joint member constitutes notice to all joint members;
2. Waiver of notice of a meeting signed by one joint member constitutes waiver of notice for all joint members;
3. The presence of one or more joint members at a meeting constitutes the presence of one member at the meeting;
4. If only one joint member votes on a matter; signs a petition, consent, waiver, or other document; or otherwise acts, then the vote, signature, or action binds the Joint Membership and constitutes one vote, signature, or action;
5. If more than one joint member votes on a matter; signs a petition, consent, waiver, or other document; or otherwise acts, then the first vote, signature, or action received by the Cooperative binds the Joint Membership and constitutes one (1) vote;
6. The withdrawal, or termination of a joint member shall terminate that joint member’s interest in the Joint Membership, which shall then be converted to a membership comprised of the remaining joint member(s); and
7. A joint member qualified to be on the board of directors may be a director, regardless of whether another joint member is qualified to be a director, but if more than one joint member is qualified to be a director, then only one joint member may be a director.

(c) Terminating a Joint Membership.

1. By writing signed by all joint members of a Joint Membership and filed with the Cooperative, any Joint Membership may be terminated and changed to a membership, or Joint Membership, held by the remaining joint member(s).
2. Upon the death of a person who is a joint member, such Joint Membership shall be held solely by the survivor(s) and the records of the Cooperative shall be changed to show such membership solely held by the survivor(s) as a sole membership or Joint Membership, as applicable; provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.
3. Joint members shall notify the Cooperative in writing when a joint member desires to withdraw from the Joint Membership or upon any change that would cause a joint member to no longer qualify for the Joint Membership. Upon such written notice or determining or discovering a joint member no longer qualifies for the Joint Membership, the affected Joint Membership shall be held solely by the remaining qualified joint member(s) who are provided Cooperative service at the same location and the records of the Cooperative shall be changed to show such membership solely held by the remaining joint member(s) as a sole membership or Joint Membership, as applicable; provided in no event shall any joint member, including a withdrawn joint member, be released from debts due the Cooperative arising from the Joint Membership. The Board may designate a form or specific information to be included with any written notice described in this Section 6.
4. Nothing in this Section 6 shall require the Cooperative to determine marital property interests, to the extent applicable, and the Cooperative may rely conclusively on its membership records unless otherwise directed by a final court order served upon and accepted by the Cooperative.