

May 19, 2016

United States Department of Agriculture

Rural Development

Operations and Management

Washington, DC

Ave SW

Mr. Neil J. Gillespie 1400 Independence 8092 SW 115th Loop Ocala, Florida 34481

20250 Voice 202.692.0200 Fax 202.692.0203

Re: FOIA Case No. 2016-RD-03848-F

Dear Mr. Gillespie:

This serves as a partial release in response to your Freedom of Information Act (FOIA) request dated May 12, 2016. You requested "RUS for Sumter Electric Cooperative, Inc./SECO Energy showing:

- 1. Provide in PDF format the current Bylaws for Sumter Electric Cooperative, Inc.
- 2. Provide in PDF format Sumter Electric's annual year-end financial statements for the past three years.
- 3. Provide in PDF format evidence of Sumter Electric's tax-free status.
- 4. Provide in PDF format records showing Sumter Electric Cooperative. Inc. is the recipient of Federal financial assistance from the Rural Utilities Service (RUS)."

The enclosed CD-Rom contains records responsive to Items 1 and 4 of your FOIA request. According to RUS, borrowers do not provide evidence of their tax-free status. Therefore, there are no records responsive to Item 3. We will provide you with the records pertaining to Item 2 when they are provided to this office.

Pursuant to 7 CFR, Subtitle A, Part 1, Subpart A, Appendix A, there is no charge for the records enclosed, as the amount falls below the minimum amount required for Rural Development to collect fees.

Sincerely

Government Information Specialist

Enclosure

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5/19/2016



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 SSD, CASE NO. 2016-RD-03848-F

 Service:
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 05/19/2016

 Delivered On:
 05/26/2016 3:10 P.M.

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 OCALA, FL, US

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Sincerely,

UPS

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Sumter Electric Cooperative Inc. Loan List			
			Date Loan
Rus ID	Loan Designation	Loan Amount	Approved
FL0016	BF8	30,000,000.	9/9/2010
FL0016	BG8	30,000,000.	4/25/2013
FL0016	BH8	110,000,000.	6/2/2014

SUMTER ELECTRIC COOPERATIVE, INC.





SERVICE... Our Number One Priority!

FOREWORD

It is the intention of the Board of Trustees and the Management to provide the membership with the best possible electric service and to render fair and just treatment, without discrimination, to all concerned.

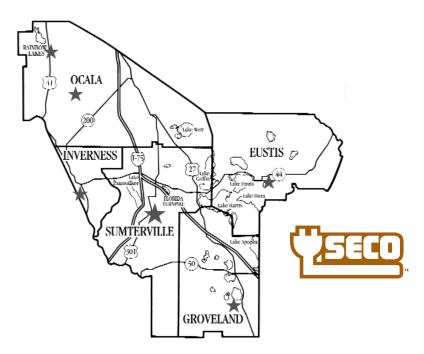
In return we ask the members to be loyal to their Cooperative and to abide by the rules and regulations which have been formulated in the interest of economy and good service.

The purpose of furnishing this information is to acquaint the consumers with the obligations of the Cooperative and also with the duties of the members.

It is hoped that the members will find time to study these Bylaws and working rules in order that harmonious relations will prevail between them and the operating personnel.

For additional information, please call the office serving your area or the Corporate Headquarters office of the Cooperative in Sumterville.

These Bylaws were revised at the March 29, 2003 Annual Meeting. Future changes in Bylaws, policies, etc. will supersede any information contained in this publication.



SUMTER ELECTRIC COOPERATIVE, INC. MEMBERSHIP AGREEMENT

The applicant has received a copy of the most current Bylaws which outline the responsibilities of the Cooperative and its members. In addition to complying with the contents of the Bylaws, the applicant hereby grants to the Cooperative a rightof-way easement, pursuant to Article VII, Section 2, to maintain an electric line or system, with all necessary wires, poles and fixtures thereon, and to allow the Cooperative to have access to the right-of-way for maintaining, repairing and other functions necessary to the use and operation of said line, as well as, to read the meter or to cut or trim foliage, trees and brush as may interfere with said line. The applicant further agrees to sign all documents necessary to record said right-of-way in the public records should the Cooperative so desire. It is further stated by the applicant that the applicant owns said property or has authorization to grant such right-of-way.

Right-of-way easements allow meter readers and other Cooperative employees access to applicant's property. Effective October 1, 1993, in accordance with amended Florida Statute Section 767.04 and Section 767.11, applicants who own dogs are held totally liable for damages suffered by persons from dog bites unless the owner displays a sign which includes the words "Bad Dog." The owner will be held liable for damages if the owner was negligent and the negligence proximately caused the damages. the dog owner's liability will be reduced if the person bitten was negligent and this negligence was a proximate cause of the biting incident. The owner's liability will be reduced by the percentage of negligence contributed by the person that was bitten.

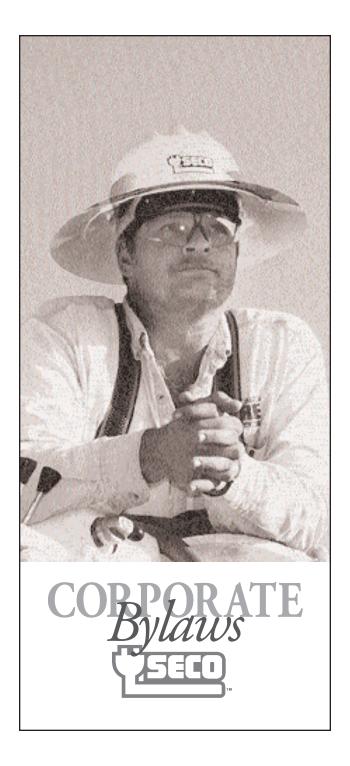


TABLE OF CONTENTS

ARTICLE I – ME	MBERSHIP
Section 1.	REQUIREMENTS FOR MEMBERSHIP
Section 2.	Evidence of Membership
Section 3	Joint Membership
Section 4.	CONVERSION OF MEMBERSHIP
Section 5.	Membership Fee
Section 6.	Purchase of Electric Energy
Section 7.	Conditions of Membership
	and Termination of Membership
ARTICLE II – RIG	GHTS AND LIABILITIES OF MEMBERS
Section 1.	PROPERTY INTERESTS OF MEMBERS
Section 2.	NON-LIABILITY FOR DEBTS OF THE COOPERATIVE
Section 3.	Mailing Address of Members
ARTICLE III – M	LEETINGS OF MEMBERS9
	ANNUAL MEETING
Section 2.	Special Meetings
Section 3.	Notice of Members Meetings
Section 4.	
Section 5.	
Section 6.	Voting Districts
Section 7.	Election of Trustees
Section 8.	Order of Business
ARTICLE IV – TH	RUSTEES
Section 1.	General Powers
Section 2.	QUALIFICATION AND TENURE
Section 3.	REMOVAL OF TRUSTEES BY MEMBERS
Section 4.	Vacancies
Section 5.	Compensation
Section 6.	INDEMNIFICATION
ARTICLE V – ME	ETINGS OF TRUSTEES
Section 1.	Regular Meetings
Section 2.	Special Meetings
Section 3.	NOTICE OF TRUSTEES' MEETING
Section 4.	Quorum

TABLE OF CONTENTS, continued

ARTICLE VI – OFF	FICERS
Section 1. 1	Number
Section 2. I	Election and Term of Office
Section 3. I	Removal of Officers and Agents by Trustees
Section 4. I	President
Section 5. V	Vice President
Section 6. S	Secretary
Section 7.	Treasurer
Section 8. 1	Manager
Section 9. I	Bonds of Officers
Section 10.0	Compensation
Section 11.1	Reports
ARTICLE VII – NO	DN-PROFIT OPERATION
0	Interest or Dividends on Capital Prohibited
	Patronage Capital in Connection
V	with Furnishing Electric Energy
ARTICLE VIII – D	DISPOSITION OF PROPERTY
ARTICLE IX – SEA	L
ARTICLE X – FINA	ANCIAL TRANSACTION
Section 1. (Contracts
Section 2. (Checks, Drafts, etc.
Section 3. I	Deposits
Section 4. (Changes in Rates
Section 5. I	Fiscal Year
ARTICLE XI	
Section 1. N	LEMBERSHIP IN OTHER ORGANIZATIONS
Section 2. W	Vaiver of Notice
Section 3. R	Rules and Regulations
Section 4. A	accounting System and Reports
Section 5. P.	ayment of Subscriptions
Т	O PUBLICATION OF COOPERATIVE
Section 6. P	reference to Gender
ARTICLE XII – AM	AENDMENTS

CORPORATE *Bylaws* Sumter Electric Cooperative, Inc.

REVISED, MARCH 29, 2003

ARTICLE I — MEMBERSHIP

SECTION 1. REQUIREMENTS FOR MEMBERSHIP

Any person, firm, association, corporation or body politic or subdivision thereof may become a member in Sumter Electric Cooperative, Inc. (hereinafter called the "Cooperative") by:

(a) filing a written application for membership therein and paying the membership fee or requesting orally or in writing to become a member and paying the membership fee; and

(b) agreeing to purchase, or purchasing electric energy from the Cooperative as hereinafter specified.

As a specific condition of membership all members shall comply with and be bound by the Articles of Incorporation and Bylaws of the Cooperative and any policies, rules and regulations adopted by the Board of Trustees; provided, however, that no person, firm, association, corporation or body politic or subdivision thereof shall become a member unless and until he or it has been accepted for membership by the Board of Trustees or the members. No member may hold more than one membership in the Cooperative, and no membership in the Cooperative shall be transferable.

At each annual or special meeting for all the members, applications for membership received more than ninety days prior to such meeting and which have not been accepted or which have been rejected by the Board of Trustees shall be submitted by the Secretary to such meeting and, subject to compliance by the applicant with the requirements herein set forth, such applications or any one or more of them may be accepted by vote of the members. The Secretary shall give each such applicant at least ten days notice of the members' meeting to which his application will be submitted and such applicant shall be entitled to be present and heard at the meeting.

For purposes of this Section, any person, firm, association, corporation or body politic or subdivision thereof who requests orally or in writing to become a member of the Cooperative, and, who pays the membership fee as hereinafter provided, and, who receives electric service shall be a member of the Cooperative subject to all the rights and duties thereof.

SECTION 2. EVIDENCE OF MEMBERSHIP

Membership in the Cooperative shall be evidenced by the record in the Cooperative's books of accounts that the prescribed membership fee has been paid and further evidenced by approval of the Board.

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 such membership. The term "member" as used in these Bylaws shall be deemed to include 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 joint memberships. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect to the holders of a joint membership shall be as follows:

(a) The vote of either separately or both jointly shall constitute one joint vote;

(b) A waiver of notice signed by either or both shall constitute a joint waiver;

(c) Notice to either shall constitute notice to both;

(d) Expulsion of either shall terminate the joint membership;

(e) Withdrawal of either shall terminate the joint membership;

(f) Either but not both may be elected or appointed as an officer or trustee, provided that both meet the qualifications for such office.

SECTION 4. CONVERSION OF MEMBERSHIP

(a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse to comply with the Articles of Incorporation, Bylaws and rules and regulations adopted by the Board of Trustees. The outstanding membership certificate shall be voided on the records of the Cooperative and re-issued by the Cooperative in such manner as shall indicate the changed membership status.

(b) Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely by the survivor.

SECTION 5. MEMBERSHIP FEE

The membership fee shall be five dollars. Payment of the membership fee by the applicant shall constitute intention of the applicant to be a member of the Cooperative with all the rights and duties thereof. Only one membership fee is required, regardless of the number of service connections required by the member.

SECTION 6. PURCHASE OF ELECTRIC ENERGY

(a) Each member shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy used on the premises specified in his application for membership and shall pay therefore monthly at rates which shall from time to time be fixed by the Board of Trustees, provided, however, that the Board of Trustees may limit the amount of electric energy which the Cooperative shall be required to furnish any one member. It is expressly understood that amounts paid for electric energy in excess of the cost of service are furnished by members as capital and each member shall be credited with capital so furnished as provided in these Bylaws. Each member shall pay to the Cooperative such minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the Board of Trustees from time to time. Each member shall also pay all amounts owed by him to the Cooperative as and when the same shall become due and payable.

(b) Each member may produce electrical energy for the members' use; however, the production or use of electrical energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with Cooperative facilities, shall be subject to appropriate regulations as shall be fixed, from time to time, by the Cooperative.

SECTION 7. CONDITIONS OF MEMBERSHIP AND TERMINATION OF MEMBERSHIP

(a) In order for a member of the Cooperative to continue as a member of the Cooperative, such member shall have paid a membership fee of five dollars plus such necessary deposits as may from time to time be required, in keeping with policies adopted by the Board of Trustees, and such member must continue to receive electric service from the Cooperative and maintain an active account with the Cooperative at all times. A member shall not permit his account(s) with the Cooperative for electric energy charges to become delinquent as is defined in policies adopted by the Board of Trustees.

(b) Should a member fail to meet any of the foregoing conditions of membership as set forth in Section 7(a) above, such membership, upon order of the Manager, shall cease and be automatically terminated. The Manager shall make regular monthly reports to the Board of Trustees of memberships terminated.

(c) Membership in the Cooperative may be withdrawn without prior Board Action by oral or written request of the member. The Manager shall examine the request and if the applicant for withdrawal has met all the terms and conditions as set out in his application for membership, the Manager may, by order, terminate such membership, and make regular monthly reports to the Board of Trustees of the memberships terminated.

(d) When for any reason membership in the Cooperative terminates, the fee of the membership terminated shall be returned provided such member is not indebted to the Cooperative for any unpaid bill or account, and in that event, the membership fee may be applied by the Cooperative against such bill or account.

(e) In addition to the other provisions of this section regarding the termination of membership, the Board of Trustees of the Cooperative may, by the affirmative vote of not less than two-thirds of all the trustees, expel any member who shall have refused or failed to comply with any of the provisions of the Articles of Incorporation, Articles of Conversion, Bylaws or policies, rules or regulations adopted by the Board of Trustees, but only if such member shall have been given written notice by the Secretary of the Cooperative that such refusal or failure makes such member liable to expulsion and such refusal or failure shall have continued for at least ten days after such notice is given. Any expelled member whose membership has been terminated by the Cooperative may be reinstated by vote of the Board of Trustees or by vote of the members at any annual or special meeting for all the membership.

(f) When for any reason membership in the Cooperative is terminated by the Cooperative, or by withdrawal, death, cessation of existence or expulsion, the membership of such member shall then terminate and that member's right to vote as a member of the Cooperative shall cease. Termination of membership in any manner shall not release a member or such member's estate from any debts due the Cooperative.

(g) The membership fee shall be deemed returned to the member for the purposes of this Bylaw when such fee is mailed to the member at the member's last known address appearing on the books of the Cooperative or when all or portion thereof is applied to the member's indebtedness due the Cooperative and any surplus thereof mailed to the member as above set forth.

(h) Any member who believes his membership to have been wrongfully terminated by the Cooperative may apply to the Board of Trustees for a hearing at any regular or special meeting called for that purpose, and at such hearing shall be reinstated to membership upon a majority vote of the Board of Trustees.

ARTICLE II — RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. PROPERTY INTERESTS OF MEMBERS

Members shall have no individual or separate interest in the property or assets of the Cooperative except that 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 these Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members in the proportion which the aggregate patronage of each bears to the total patronage of all members of the Cooperative during the seven years next 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 members shall be individually liable or responsible for any debts or liabilities of the Cooperative.

SECTION 3. MAILING ADDRESS OF MEMBERS

It shall be the duty and responsibility of each member and of each former member of the Cooperative to keep the Cooperative advised of the member's or former member's current mailing address.

ARTICLE III — MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETING

The Annual Meeting of the members shall be held during the first four months of each year 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 announcing Board Members, 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 of Trustees, or upon the written request of any three trustees, by the President, or by ten percentum or more of all the members, 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 in the State of Florida within the area served where housing facilities are available, and as specified in the notice of the special meeting.

SECTION 3. NOTICE OF MEMBERS MEETINGS.

(a) 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 other than that listed in Section 8 of this article is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not less than ten days nor more than forty-five days before the date of the meeting, either personally or by mail, by or at the direction of 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 his address as it appears on the records of the Cooperative, with postage thereon prepaid. Notice of the annual meeting or special meeting may, but need not, be sent with a member's billing statement. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

(b) Written or printed notice stating the place, day and hour of a district meeting shall be delivered not less than thirty days nor more than forty-five days before the date of the meeting, either personally or by mail, by or at the direction of 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 his address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of a district meeting shall not invalidate any action which may be taken by the members at such meeting.

SECTION 4. QUORUM

The minimum number of members required by Florida law governing Electric Cooperatives, as such law now exists [F.S. 425.09 (6)] or may be from time to time hereafter amended, present in person, shall constitute a quorum for the transaction of business at all meetings of the members. If less than a quorum is present at any meeting, a majority of those present may adjourn the meeting from time to time without further notice, except that the Secretary shall notify absent members of the time and place for resumption of such adjourned meeting.

SECTION 5. VOTING

(a) Each member shall be entitled to only one vote. All questions shall be decided by a vote of a majority of the members voting thereon in person, except as otherwise provided by law, the Articles of Incorporation, Articles of Conversion, or these Bylaws. No voting by mail or by proxy shall be permitted (except as permitted by these Bylaws.)

(b) Voting by members other than members who are natural persons shall be allowed upon the presentation to the Cooperative, prior to, or upon, registration at, each member meeting, of satisfactory evidence entitling the person presenting the same to vote.

(c) Voting by the spouse of a member shall be permitted upon presentation to the Cooperative, prior to, or upon registration at, each member meeting, of satisfactory evidence, entitling the spouse presenting the same to vote on behalf of said member.

SECTION 6. VOTING DISTRICTS

The territory served, or to be served, by the Cooperative shall be divided into nine districts. Each district shall be represented by one trustee. The Board of Trustees may amend the district lines from time to time in its discretion.

SECTION 7. ELECTION OF TRUSTEES

(a) Election of District Meeting. Not less than thirty days nor more than sixty days before the Annual Meeting of the members, the Board of Trustees shall call a separate meeting of the members of each district at a suitable place in such district for the purpose of selecting one person as trustee to represent the members located within such district. The notice of such meeting shall be delivered to each member located in such district as provided in Section 3 of Article III, and shall indicate the district to which such members belong. The notice shall state that an election of their trustee to represent their District is to be made at the meeting. The meeting shall, however, be open for discussion of any other matters pertaining to the business of the Cooperative, regardless of whether or not such matters were listed in the notice of the meeting, and recommendations with respect thereto may be submitted to the Board of Trustees or the entire membership.

The district meeting shall be called to order by the Trustee representing the district or by another designated representative of the Board of Trustees, or in his absence, by any member residing within the district. The members shall then proceed to elect a chairman, who shall be someone other than a trustee, who shall appoint a secretary to act for the duration of the meeting. Twenty members residing in the district present at such duly called district meeting shall constitute a quorum. Members of other districts present at the meeting may be heard but shall have no vote. Those persons but only those persons who have been certified by the secretary as provided in Section 7 (b) hereof, shall be considered nominated and eligible for election at the meeting. Candidates must be members residing in the district and must be certified as required by paragraph (b) of this section to possess the qualifications for trustee specified in Section 2 of Article IV of these Bylaws.

(b) In order for a member to be nominated at a district meeting for the position of trustee, his or her name and intent to run for such position must be received by the Cooperative at the corporate headquarters to the attention of the General Manager within ten calendar days after the date of sending the notice of meeting, unless such tenth day is a Saturday, Sunday, or legal holiday in which case it shall run to the end of the next day which is not a Saturday, Sunday, or legal holiday. The Cooperative shall determine whether such prospective candidates meets the qualifications of Section 2, Article IV of these Bylaws. The Secretary of the Cooperative shall, prior to the district meeting, certify the names of all prospective candidates who shall satisfy the said requirements.

(c) Voting shall be by ballot. Each may vote for one candidate. The nominee receiving the highest number of votes shall be declared the trustee for the district. The minutes of such district meeting shall set forth, among other things, the name of each person nominated at the district meeting and the number of votes received by each, and shall specify the trustee for the district. A certified copy of the minutes, signed by the secretary and the chairman of the district meeting, shall be delivered to the Secretary of the Cooperative within five days after such district meeting.

SECTION 8. ORDER OF BUSINESS

The order of business at the Annual Meeting of the members, and so far as possible, at all other meetings of the members, shall be essentially as follows.

- 1. Report as to the number of members present 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 meeting of the members and the taking of necessary action thereon.
- 4. Announcement of trustees.

- 5. Presentation and consideration of reports of officers, trustees and committees.
- 6. Unfinished business.
- 7. New business.
- 8. Adjournment.

Notwithstanding the foregoing, the Board of Trustees or the members themselves may from time to time establish a different order of business for the purpose of assuring the earlier considerations of and action upon any item of business and transaction of which is necessary or desirable in advance of any other item of business.

ARTICLE IV— TRUSTEES

SECTION 1. GENERAL POWERS

The business and affairs of the Cooperative shall be managed by a board of nine trustees which shall exercise all of the powers of the Cooperative except such as are by law, the Articles of Incorporation, Articles of Conversion, or these Bylaws conferred upon or reserved to the members.

SECTION 2. QUALIFICATION AND TENURE

Those trustees elected at the district meetings shall assume the duties of office of trustee immediately following adjournment of the next following annual meeting. Such trustees shall be elected to serve the best interest of the Cooperative as a whole. Such trustees shall serve a three year term of office and until their successors are duly elected. The term of office of the members of the Board of Trustees shall be divided so that the terms of at least three members of the Board of Trustees shall expire each year at the Annual Meeting of the Cooperative. The system of rotation in terms of office of the Board of Trustees heretofore established in which the terms of office of trustees from Districts (2), (4) and (6) expire at the Annual Meeting in 1996, and terms of office of trustees from Districts (7), (8) and (9) expire at the Annual Meeting in 1997, and terms of office of trustees from Districts (1), (3) and (5) expire at the Annual Meeting in 1998, is hereby confirmed. A trustee whose term expires shall be eligible for immediate re-election to a full term as trustee. If the election of trustees has not been held on the day designated for a district meeting, or at any adjournment thereof, the Board of Trustees shall cause the election to be held at a special meeting of the district as soon thereafter as it may conveniently be held. In the event an election is

not held at the special district meeting, the incumbent trustees whose term of office would have been voted on shall hold over to the next regularly scheduled district meeting at which a quorum is present.

Any person may seek membership on the Board of Trustees, and may continue on the Board of Trustees unless:

(a) he or she is not a member of the Cooperative and, if he or she is to represent a particular district, is not a bona fide resident of such district; or

(b) he or she is in any way employed by or financially interested in a competing enterprise or business selling electric energy; or

(c) he or she is or has in the last five calendar years been a full time or part-time employee of the Cooperative; or

(d) he or she is a spouse, parent, child or sibling of a person described in paragraphs (b) and (c) above; or

(e) he or she is not a member in good standing concerning Cooperative service at his or her principal place of residence. A member in good standing is a member whose account with the Cooperative is current; or

(f) he or she does not have legal capacity to enter into a binding contract.

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

SECTION 3. REMOVAL OF TRUSTEES BY MEMBERS

Any member may bring charges against a trustee by filing such charges in writing with the Secretary, together with a petition signed by at least ten per centum of the members of the District which elected a trustee and request the removal of such trustee by reason thereof. The trustee against whom such charges have been brought shall be informed in writing of the charges at least five days prior to the 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; and the person or persons bringing the charges against him shall have the same opportunity. The question of the removal of such trustee shall be considered and voted upon at the next regular or special District meeting of the members and any vacancy created by such removal may be filled as provided in Section 4 of this Article.

SECTION 4. VACANCIES

A vacancy occurring in the office of trustee shall occur either upon removal of trustee by members as provided herein or upon the Board of Trustees declaring a vacancy based upon the death or prolonged incapacitating illness of a trustee.

If the remaining unexpired term of the trustee vacancy is less than eight (8) months, the seat shall remain vacant until the next regular district election.

If the remaining unexpired term of the vacant trustee position is eight (8) months or greater, then a special meeting of the trustee district members shall be called for the purpose of electing a trustee to the unexpired term. No person may be nominated at the special District meeting who is not qualified to serve as required by Section 7 of this Article.

SECTION 5. COMPENSATION

Trustees as such shall not receive any salary for their services, but by resolution of the Board of Trustees a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting of the Board of Trustees and for the performance of other Cooperative business providing it has prior approval of the Board of Trustees. No trustees shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a trustee receive compensation for serving the Cooperative, unless the payment of compensation shall be specifically authorized by a vote of the members or the service by such trustee or close relative shall have been certified by the Board of Trustees as an emergency measure.

SECTION 6. INDEMNIFICATION

The Board of Trustees of the Cooperative shall have the power to indemnify any person who was or is a party to any proceeding, action or claim by reason of the fact that he is or was a trustee, director, manager, officer, employee or agent of the Cooperative or is or was serving at the request of the Cooperative as a trustee, director, manager, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against liability or expenses incurred in connection with any such proceeding, action or claim, including any appeal thereof.

ARTICLE V — MEETINGS OF TRUSTEES

SECTION 1. REGULAR MEETINGS

A regular meeting of the Board of Trustees shall be held without notice, other than this Bylaw, immediately after, and at the same place as the annual meeting of the members. A regular meeting of the Board of Trustees shall also be held monthly at the office of the Cooperative at Sumterville, Florida. Such regular monthly meetings may be held without notice other than by resolution fixing the time, date and place thereof.

SECTION 2. SPECIAL MEETINGS

Special meetings of the Board of Trustees may be called by the President, the Manager or by any four trustees, 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 the trustees calling the meeting shall fix the time, date and place for the holding of the meeting.

SECTION 3. NOTICE OF TRUSTEES' MEETING

Written notice of the time, date, place and purpose of any special meeting of the Board of Trustees shall be delivered not less than five days previous thereto, 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, by the Manager or the Trustees calling the meeting, to each trustee. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the trustee at his address as it appears on the records of the Cooperative, with postage thereon pre-paid.

SECTION 4. QUORUM

A majority of the Board of Trustees shall constitute a quorum, provided, that if less than such majority of the trustees is present at said meeting, a majority of the trustees present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent trustee of the time, date and place of such adjourned meeting. The act of the majority of the trustees present at the meeting at which a quorum is present shall be the act of the Board of Trustees.

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 of Trustees 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 of Trustees at the meeting of the Board of Trustees held directly 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 conveniently may be. Each officer shall hold office until the first meeting of the Board of Trustees following the next succeeding annual meeting of the members or until his successors shall have been elected and shall have qualified. A vacancy in any office shall be filled by the Board of Trustees for the unexpired portion of the term. Provided however, the General Manager, may upon approval of the Board at any meeting of the Board, hold the office of Chief Executive Officer.

SECTION 3. REMOVAL OF OFFICERS AND AGENTS BY TRUSTEES

Any officer elected or appointed by the Board of Trustees may be removed by the Board of Trustees whenever in its judgment the best interest of the Cooperative will be served thereby. In addition, any member of the Cooperative may bring charges against an officer by filing such charges in writing with the Secretary together with a petition signed by twenty per centum of the members, and request the removal of the particular officer by reason thereof. The officer against whom such charges have been brought shall be informed in writing of the charges at least five days prior to the 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; and the person or persons bringing the charges against him shall have the same opportunity. The question of the removal of such officer shall be considered and voted upon at the next regular or special 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 of the Board of Trustees, shall preside at all meetings of the members and the Board of Trustees;

(b) sign, with the Secretary, certificates of membership, the issue of which shall have been authorized by the Board of Trustees or the members, and may sign any deeds, mortgages, deed of trust, notes, bonds, contracts or other instruments authorized by the Board of Trustees to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Trustees or 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 of Trustees from time to time.

SECTION 5. VICE PRESIDENT

In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such duties as from time to time may be assigned to him by the Board of Trustees.

SECTION 6. SECRETARY

The Secretary shall:

(a) keep the minutes of the meetings of the members and of the Board of Trustees in one or more books provided for the purpose;

(b) see that all notices are duly given in accordance with these Bylaws or as required by law;

(c) be custodian of the corporate records and of the seal of the Cooperative and affix the seal of the Cooperative 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) keep a register of the names and post office address of all members;

(e) sign, with the President, certificates of membership, the issue of which shall have been authorized by the Board of Trustees or the members;

(f) have general charge of the books of the Cooperative in which a record of the members is kept;

(g) keep on file at all times a complete copy of the Articles of Incorporation, Articles of Conversion 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 supply a copy of the Bylaws and all amendments thereto to each member, and

(h) in general perform all duties incident to the office of Secretary, and such other duties as from time to time may be assigned to him by the Board of Trustees.

SECTION 7. TREASURER

The Treasurer shall:

(a) have charge and custody of and be responsible for all funds and securities of the Cooperative.

(b) be responsible for the receipt of and the issuance of receipts for moneys due and payable to the Cooperative from any source whatsoever, and for the deposit of all such moneys 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) in general perform all the duties incident to the office of the Treasurer and such other duties as from time to time may be assigned to him by the Board of Trustees.

SECTION 8. MANAGER

The Board of Trustees 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 of Trustees may from time to time vest in him.

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 give bond in such sum and with such surety as the Board of Trustees shall determine. The Board of Trustees in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine.

SECTION 10. COMPENSATION.

The powers, duties and compensation of any officers, agents and employees shall be fixed by the Board of Trustees, subject to the provisions of these Bylaws with respect to compensation for trustees and close relatives of trustees.

SECTION 11. REPORTS

The officers of the Cooperative shall submit at each Annual Meeting of the members, reports covering the business of the Cooperative from the previous fiscal year. Such reports shall set forth the conditions of the Cooperative at the close of such fiscal year.

ARTICLE VII — NON-PROFIT OPERATION

SECTION 1. INTEREST OR DIVIDENDS ON CAPITAL PROHIBITED

The Cooperative shall at all times be operated on a Cooperative nonprofit 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.

Section 2. Patronage Capital in Connection with Furnishing Electric Energy

In the furnishing of electric energy the Cooperative's operations shall be so conducted that all patrons will through their patronage furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis the Cooperative is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electric energy. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons as capital. The Cooperative is obligated to pay by credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the amount of capital so credited to his account. All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for capital.

All other amounts received by the Cooperative from its operations in excess of costs and expenses 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 its patrons on a patronage basis and any amount so allocated shall be included as a part of the capital credited to the accounts of patrons, as herein provided.

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 accounts of property rights of members. If, at any time prior to dissolution or liquidation, the Board of Trustees shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to patrons' accounts may be retired in full or in part. Any such retirements of capital shall be made in accordance with the directives of the Board of Trustees for such retirement. Amounts owed to the Cooperative for the purchase of electrical energy may be deducted from the capital credits refund to a member, former member, non-member or deceased member at the time such patronage capital credit refunds are made, but in no event shall such deduction be made from such refund except at the time of its actual payment.

Capital credited to the account of each patron shall be assignable only on the books of the Cooperative pursuant to written instructions from the assignor.

Notwithstanding any other provisions of these Bylaws, the Board of Trustees, at its discretion, shall have the power at any time upon the death of any patron, if the legal representatives of his estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these Bylaws, to retire capital credited to any such patron immediately upon such terms and conditions as the Board of Trustees, acting under policies of general application, and the legal representatives of such patron's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.

Should any member or former member or other person fail to claim any cash retirement of capital credit or other payment within five years after payment has been made available to such person, such failure will constitute any irrevocable assignment and gift to the Cooperative. Any such funds once assigned shall be allocated to all persons, as additional capital credits, who are members or former members in the year of allocation, pro rata, based on each member's patronage during the year of allocation.

The allocation shall become effective only upon the expiration of sixty days following the giving of notice by mail to the last known address and the publication in a newspaper of general circulation in the Cooperative service area, that unless said payment is claimed within said sixty-day period, such assignment and gift shall become effective.

The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the Articles of Incorporation, Articles of Conversion, 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 of the Bylaws shall be called to the attention of each patron of the Cooperative by 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 duly held meeting of the members thereof by the affirmative vote of not less than two-thirds 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 herein contained, or any other provisions of law, the Board of Trustees 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 deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the Board of Trustees shall determine, to secure any indebtedness of the Cooperative to any bank, financial institution, corporation or person lending money or credit to such Cooperative.

ARTICLE IX — SEAL

The corporate seal of the Cooperative shall be in the form of a circle and shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal, State of Florida."

ARTICLE X — FINANCIAL TRANSACTION

SECTION 1. CONTRACTS

Except as otherwise provided in these Bylaws, the Board of Trustees 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.

SECTION 2. CHECKS, DRAFTS, ETC.

Except as otherwise provided by law or in these Bylaws, 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, officers, agent or agents of the Cooperative and in such manner as shall from time to time be determined by resolution of the Board of Trustees.

SECTION 3. DEPOSITS

All funds of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks and the Board of Trustees may select.

SECTION 4. CHANGES IN RATES

Written notice shall be given to the Administrator of the Rural Electrification Administration of the United States of America no less than ninety days prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy becomes effective.

SECTION 5. FISCAL YEAR

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

ARTICLE XI

SECTION 1. MEMBERSHIP IN OTHER ORGANIZATIONS

The Cooperative may purchase, receive, become a member of, hold stock in, loan funds to, or guarantee loans for, a not-for-profit corporation or for profit corporation so long as ownership of such stock or the making or guaranteeing of such loans furthers the goals of the Cooperative, the Cooperative is not financially at risk in such other company beyond, that amount allowed by the Rural Electric Administration mortgage provisions in effect at the time the financial commitment is made, and ownership of such stock and entitlement to dividends therefrom does not cause the Cooperative to lose its status as a rural electric cooperative for State or Federal Tax or for funding purposes.

SECTION 2. WAIVER OF NOTICE

Any member or trustee may waive in writing, any notice of a meeting required to be given by these Bylaws. The attendance of a member or trustee at any meeting shall constitute a waiver of notice of such meeting by such member or trustee, except in case a member or trustee 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.

SECTION 3. RULES AND REGULATIONS

The Board of Trustees may adopt such rules and regulations for the management, administration and regulation of the business and affairs of the Cooperative as it may deem advisable and which are not inconsistent with law, the Articles of Incorporation, the Articles of Conversion or Bylaws of the Cooperative.

SECTION 4. ACCOUNTING SYSTEM AND REPORTS

The Board of Trustees shall cause to be established and maintained a complete accounting system which, among other things, 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 Electrification Administration of the United States of America. All accounts of the Cooperative shall be examined by a committee of the Board of Trustees which shall render reports to the Board of Trustees at least four times a year at regular meetings of the Board of Trustees. The Board of Trustees shall also after the close of each fiscal year cause to be made a full and complete audit of the accounts, books, and financial condition of the Cooperative as of the end of each fiscal year. Such audit reports shall be submitted to the members at the following Annual Meeting.

SECTION 5. PAYMENT OF SUBSCRIPTIONS TO PUBLICATION OF COOPERATIVE

For the purpose of disseminating information devoted to the economical, effective and conservative use of electric energy, the Board of Trustees shall be authorized, on behalf of and for circulation to the members periodically, to subscribe to a newsletter or magazine and to provide by the payment of an annual subscription price from the amount accruing to each member so as to reduce such funds in the same manner as would any other expense of the Cooperative.

SECTION 6. PREFERENCE TO GENDER

Any reference to the male gender in these Bylaws shall be construed to mean either male or female gender.

ARTICLE XII — AMENDMENTS

These Bylaws may be altered, amended or repealed by the members at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

Revised March 29, 2003



SECO is a recipient of Federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on basis of race, color, national origin, age, or handicap shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities. The person responsible for coordinating this organization's nondiscrimination compliance efforts is the Director of Human Resources or his designee. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from, and/or file a written complaint with this organization; or the Secretary, U.S. Department of Agriculture, Washington D.C., 20250; or the Administrator, Rural Utilities Service, Washington D.C., 20250. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.



OFFICES AVAILABLE TO SERVE YOU!

CORPORATE DIVISION: Sumterville Corporate Headquarters

PO Box 301 • 330 South US Hwy 301	• Sumterville, FL 33585-0301
from Sumter County	
from Lake County	
from Pasco & Hernando Counties	(352) 521-5788

Inverness Office

610 US Hwy 41 South • Inverness, FL 34450-6030	
from Citus County(352) 726-39	44

EASTERN DIVISION:

Eustis Office

15720 US Hwy 441 • Eustis, FL 32726-6561	
from Lake County	
from Marion County(352) 288-1980	

Groveland Office

850 N Howey Road • Groveland, FL 34736-2234 from Lake County(352) 429-2195

NORTHERN DIVISION:

Ocala

4872 SW 60th Avenue • Ocala, FL 34474-4316	
from Marion County(352) 2	37-4107
from Levy County	28-3644

To report a power outage call SECO's emergency hotline:

800-SECO-141

www.secoenergy.com

