

***Bylaws of
Navasota Valley Electric Cooperative, Inc.***

**Franklin, Texas
(Amended April 18, 2024)**

Index of Bylaws

| | |
|---|----|
| Article I, Membership | 1 |
| Section 1.1. Eligibility | 1 |
| Section 1.2. Application for Membership; Renewal of Prior Membership | 1 |
| Section 1.3. Membership Fee; Service Security and Facilities Extension Deposits; Contribution in Aid of Construction..... | 1 |
| Section 1.4. Joint Membership..... | 2 |
| Section 1.5. Acceptance into Membership | 3 |
| Section 1.6. Purchase of Electric Energy; Power Production by Member; Application of Payments to All Accounts..... | 3 |
| Section 1.7. Member-Furnished Capital | 3 |
| Section 1.8. Responsibilities for Wiring of Premises and Metering; and INDEMNIFICATION..... | 3 |
| Section 1.9. Member to Grant Easements to Cooperative and Participate in Required Cooperative Load Management Programs..... | 5 |
| Article II, Membership Suspension and Termination | 5 |
| Section 2.1. Suspension; Reinstatement | 5 |
| Section 2.2. Termination by Expulsion; Renewed Membership | 5 |
| Section 2.3. Termination by Withdrawal or Resignation..... | 6 |
| Section 2.4. Termination by Death or Cessation of Existence; Continuation of Membership in Remaining or New Partners..... | 6 |
| Section 2.5. Effect of Termination..... | 6 |
| Section 2.6. Effect of Death, Legal Separation, or Divorce upon Joint Membership | 6 |
| Section 2.7. Board Acceptance of Members Retroactively | 7 |
| Article III, Meetings of Members | 7 |
| Section 3.1. Annual Meeting | 7 |
| Section 3.2. Special Meetings | 7 |
| Section 3.3. Notice of Member Meetings | 8 |
| Section 3.4. Record Date | 8 |
| Section 3.5. Quorum | 9 |
| Section 3.6. Voting..... | 9 |
| Section 3.7. Order of Business..... | 10 |
| Section 3.8. Conduct and Decorum at all Meetings | 11 |
| Article IV, Directors | 11 |
| Section 4.1. Number and General Powers..... | 11 |
| Section 4.2. Qualifications | 11 |
| Section 4.3. Election and Tenure | 13 |

| | |
|--|-----------|
| Section 4.4. Directorate Districts | 14 |
| Section 4.5. Nominations | 14 |
| Section 4.6. Removal of Directors by Members..... | 15 |
| Section 4.7. Vacancies..... | 16 |
| Section 4.8. Compensation and Expenses | 16 |
| Section 4.9. Rules, Regulations, Rate Schedules, and Contracts..... | 16 |
| Section 4.10. Accounting System Reports | 16 |
| Article V, Meetings of Directors..... | 17 |
| Section 5.1. Regular Meetings..... | 17 |
| Section 5.2. Special Meetings..... | 17 |
| Section 5.3. Notice of Directors Meetings | 18 |
| Section 5.4. Quorum | 18 |
| Article VI, Officers | 18 |
| Section 6.1. Number and Titles | 18 |
| Section 6.2. Election and Term of Office | 18 |
| Section 6.3. Removal of Officer..... | 19 |
| Section 6.4. Vacancies | 19 |
| Section 6.5. President..... | 19 |
| Section 6.6. Vice President | 19 |
| Section 6.7. Secretary..... | 19 |
| Section 6.8. Treasurer | 20 |
| Section 6.9. Delegation of Secretary’s and Treasurer’s Responsibilities..... | 20 |
| Section 6.10. General Manager/Chief Executive Officer..... | 20 |
| Section 6.11. Bonds..... | 21 |
| Section 6.12. Compensation; INDEMNIFICATION | 21 |
| Section 6.13. Reports | 21 |
| Article VII, Contracts, Checks, and Deposits..... | 21 |
| Section 7.1. Contracts | 21 |
| Section 7.2. Checks, Drafts, Etc..... | 22 |
| Section 7.3. Deposits; Investments | 22 |
| Article VIII, Membership Certificates..... | 22 |
| Section 8.1. Certificate of Membership | 22 |
| Section 8.2. Issue of Certificates of Membership..... | 22 |
| Section 8.3. Lost Certificate | 22 |
| Article IX, Nonprofit Operation | 22 |

| | |
|--|-----------|
| Section 9.1. Nonprofit and Cooperative Operation | 22 |
| Section 9.2. Definition of Patron..... | 22 |
| Section 9.3. Patronage Capital in Connection with Furnishing Electric Energy..... | 23 |
| Section 9.4. Patronage Refunds in Connection with Furnishing Other Services | 25 |
| Section 9.5. Members Current Addresses; Contributions to Capital | 25 |
| | |
| Article X, Disposition of Cooperative Assets..... | 25 |
| Section 10.1. Disposition and Pledging of Property | 26 |
| Section 10.2. Distribution of Surplus Assets on Dissolution..... | 27 |
| | |
| Article XI, Miscellaneous | 27 |
| Section 11.1. Fiscal Year..... | 27 |
| Section 11.2. Governing Law | 27 |
| Section 11.3. Rules of Order | 27 |
| Section 11.4. Waiver of Notice..... | 28 |
| Section 11.5. Lack of Notice | 28 |
| Section 11.6. Non-Waiver of Right or Remedy | 28 |
| Section 11.7. Corporate Seal..... | 28 |
| Section 11.8. Partial Invalidity | 28 |
| Section 11.9. Successors and Assigns of Members | 28 |
| | |
| Article XII, Amendments | 28 |