

miami-cass remc

A Touchstone Energy[®] Cooperative



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Bylaws & Rules and Regulations

Bylaws

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MISSION STATEMENT

Miami-Cass REMC's mission is to provide our member/owners with cost effective energy and related services, while operating in a manner that positively impacts our community.

BYLAWS

OF

MIAMI-CASS COUNTY RURAL ELECTRIC MEMBERSHIP CORPORATION

ARTICLE I – MEMBERSHIP

SECTION 1. Requirements for Membership

The corporate purpose of the Miami-Cass County Rural Electric Membership Corporation (hereinafter called the "Corporation") shall be to render service to its members only and no person shall become or remain a member of the Corporation, unless such person shall purchase electric energy supplied by the Corporation and shall have complied with the terms and conditions in respect to membership contained in these bylaws.

Any person, firm, association, corporation or body politic may become a member of the Corporation by:

- a. Making an application for membership therein;
- b. Agreeing to purchase from the Corporation electric energy as hereinafter specified;
- c. Agreeing to comply with and be bound by the articles of incorporation and bylaws of the Corporation and any rules and regulations adopted by the board of directors, and
- d. Paying the membership fee hereinafter specified:

Provided, however, that no person, firm, association, corporation or body politic shall become a member unless and until he or it has been accepted for membership by the board of directors or the members. No member may hold more than one voting membership in the Corporation, and no membership in the Corporation shall be transferable, except as provided in these bylaws.

At each meeting of the members held subsequent to the expiration of a period of six months from the date of incorporation of the Corporation, all applications received more than ninety days prior to such meeting which have not been accepted or which have been rejected by the board of directors shall be submitted by the Secretary to such meeting and, subject to compliance by the applicant with the requirements hereinabove set forth, any such application may be accepted by vote of the members. The Secretary shall give each applicant at least ten days written notice of the date of the member's meeting to which his application will be submitted and such applicant shall be entitled to be present and heard at the meeting.

SECTION 2. Joint membership

Any two persons residing at the same location served by the Corporation, whether married or unmarried, may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article I, may be accepted for such membership. The term “member” as used in these bylaws shall be deemed to include two persons 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 terminate the joint membership.
- f. Withdrawal of either shall terminate the joint membership.
- g. Either but not both may be elected or appointed as an officer or director provided that both meet the qualifications for such office.

SECTION 3. 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 the other individual seeking to hold the joint membership to comply with the articles of incorporation, bylaws and rules and regulations adopted by the board of directors. The outstanding membership shall be amended by the Corporation in such manner as to indicate the changed membership status.
- b. Upon the death of either person who is a party to the joint membership, the joint membership shall be terminated and such membership shall be held solely by the survivor with the same effect as though the membership had originally been issued solely to the survivor, except with respect to debts due the Corporation prior to the termination of the joint membership under this Section 3.b. The outstanding membership shall be amended in such manner as to indicate the changed membership status, provided, however, that neither the estate of the deceased nor the surviving party of such joint membership shall be released from any debts due the Corporation prior to the date of record change.
- c. Upon the divorce of spouses who are holders of a joint membership, such membership shall be held solely by the person so designated by the court or by agreement of the parties. The outstanding membership shall be amended in such manner as to indicate the changed membership status, provided, however, that neither party shall be released from any debts due the Corporation prior to the date of record change.
- d. If one holder of the joint membership no longer resides at the same location served by the Corporation as the other holder of the joint membership, the joint membership shall be terminated and such membership shall be held solely by the person who remains at such location. The outstanding membership shall be amended in such manner as to indicate the changed membership status, provided, however, that neither party shall be released from any debts due the Corporation prior to the date of record change.

SECTION 4. Membership Fee

- a. Any person, firm, association, corporation or body politic applying for service shall pay a refundable membership fee in an amount as might be set from time to time by the board of directors by Resolution, the payment of which shall make the applicant eligible for one primary service connection. An additional refundable membership fee shall not be paid for each additional service connections by the same person, firm, association, corporation or body politic.
- b. Any person, firm, association, corporation or body politic applying for or receiving electric service prior to January 1, 1981 shall be credited with the remainder of all amounts theretofore paid by him or it to this corporation for membership fees and/or deposits for service connections and not refunded by this corporation; and such credit shall be applied upon new or additional membership fees required as above stated in 'a'. These membership fees and deposits are hereby merged into the total membership fee required of all coming under this section for each service connection.
- c. MEMBERSHIP FEES SHALL NOT BEAR INTEREST; and all or any part of such membership fees may be applied without notice to any indebtedness that might be owed by the member.

SECTION 5. Purchase of Electric Energy

Each member shall, as soon as electric energy shall be available, purchase from the Corporation all electric energy used on the premises specified in his application for membership, and shall pay therefor monthly at rates which shall from time to time be fixed by the board of directors; provided, however, that the board of directors may limit the amount of electric energy which the Corporation shall be required to furnish to 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 the capital so furnished as provided in these bylaws. Each member shall pay to the Corporation such minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the board of directors from time to time. Each member shall also pay all amounts owed by him to the Corporation as and when the same shall become due and payable.

SECTION 6. Termination of Membership

- a. Any member may withdraw from membership upon compliance with such uniform terms and conditions as the board of directors may prescribe. The board of directors of the Corporation may, by the affirmative vote of not less than two-thirds of all the directors, expel any member who fails to comply with any of the provisions of the articles of incorporation, bylaws or rules or regulations adopted by the board of directors but only if such member shall have been given written notice by the Secretary of the Corporation that such failure makes him liable to expulsion and such failure shall have continued for at least ten days after such notice was given. Any expelled member may be reinstated by vote of the board of directors or by vote of the members at any annual or special meeting. The membership of a member who for a period of six (6) months after service is available to him, has not purchased electric energy from the Corporation, or of a member who has ceased to purchase energy from the Corporation, shall be canceled by resolution of the board of directors.

- b. Upon the withdrawal, death, cessation of existence or expulsion of a member the membership of such member shall thereupon terminate.
- c. In case of withdrawal or termination of membership in any manner, the Corporation shall repay to the member the amount of membership fee paid by him, provided, however, that the Corporation may deduct from the amount of the membership fee the amount of debts or obligations owing from the member to the Corporation.
- d. Any membership fee or portion thereof in the possession of the Corporation sixty (60) days after termination of service to the service connection for which such fee was established may be transferred to the "Donated Capital" account of the Corporation provided:
 - 1. The member has been notified in writing of such proposed action with such notice being deposited in the United States mail addressed to the member in accordance with the address shown on the records of the Corporation;
 - 2. That such notice shall have been mailed as provided in one (1) above not less than sixty (60) days prior to the date such transfer is made;
 - 3. That upon failure of the member to make claim upon notification within the time specified in two (2) above.

ARTICLE II – RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. Property Interest of Members

Upon dissolution, after (a) all debts and liabilities of the Corporation 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 Corporation shall be distributed in accordance with the applicable provisions of law.

SECTION 2. Non-liability for Debts of the Corporation

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

ARTICLE III – MEETINGS OF MEMBERS

SECTION 1. Annual Meeting

The annual meeting of the members shall be held within Miami or Cass Counties, State of Indiana, on a date and at a place fixed by the board of directors at a regular meeting not less than 120 days prior to the planned date of said meeting. The notice given of such meeting shall designate the time and place such meeting is to be held and such meeting shall be held for the purpose of electing directors, passing upon reports covering the previous fiscal year, and transaction of such other business as may come before the meeting. It shall be the responsibility of the board of directors 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 Corporation.

SECTION 2. Special Meetings

Special meetings of the members may be called by resolution of the board of directors, or upon a

written request signed by any three directors, by the President, or by five per centum (5%) 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 within Miami or Cass Counties, State of Indiana, 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 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 thirty (30) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon default in duty by the Secretary, by the person 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 Corporation, with postage thereon prepaid. 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.

SECTION 4. Quorum

Not less than two per centum (2%) of the total number of members of the Corporation present in person 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; provided, that the Secretary shall notify any absent members of the time and place of such adjourned meeting.

SECTION 5. Voting

Each member shall be entitled to one vote and no more upon each matter submitted to a vote at a meeting of the members. Except as otherwise provided by law, the Articles of Incorporation, or these by-laws, a majority vote of those members who are voting at any regular meeting or at any special meeting of the members called for that purpose, shall be necessary for the taking of any action, adoption of any resolution, or election of any directors, or otherwise as the case may be; provided, that if more than two (2) persons are running for election as a director from the same district, then the person receiving the most votes shall be elected. In the event of a tie vote for director, the flip of a coin shall determine the winner. If only one individual is nominated to run for election for a director position scheduled for election by the members at an annual or special meeting, then the individual presiding at the annual meeting may announce that the nominated individual is elected by acclamation and no vote is required.

SECTION 6. Election Committee

- a. At least ten (10) days before any member meeting where an election will be held, the board of directors shall appoint an election committee (the "Election Committee") for the member meeting, consisting of an uneven number of members, no less than three (3) but no more than seven (7), in good standing who are not existing Corporation officers, employees, directors or known candidates for directors, or close relatives or members of the same household thereof. In appointing the committee, the board of directors shall

consider the equitable representation of the area served by the Corporation.

- b. The Election Committee shall elect its own chairman and secretary and shall be dissolved without further action required at the conclusion of the fifth (5th) day following the member meeting for which the Election Committee was appointed, or upon the conclusion of any business before the Election Committee, whichever is later. The board of directors may set compensation, reimbursement, and any other terms for the Election Committee not otherwise specified by these bylaws.
- c. If a district has more than one candidate, during or within a reasonable time before or after the meeting for which the Election Committee was appointed, the Election Committee shall:
 - 1. Oversee or supervise the tabulation of the votes;
 - 2. Consider and decide all questions, issues, or disputes regarding:
 - i. Member registration and voting, including the determination of Members present;
 - ii. the tabulation or count of member votes, including the determination of vote results;
 - iii. Director nominations; and
 - iv. whether a director nominee or newly elected director satisfies the Corporation's director qualifications

(collectively, "Member Meeting Issues").
- d. The Election Committee may meet, consider, or decide Member Meeting Issues, or otherwise act, only if a majority of the Election Committee members are present. An Election Committee decision or action requires a vote of at least a majority of the Election Committee members present. Except as otherwise provided in these bylaws, Election Committee decisions made prior to its dissolution are final.
- e. In the exercise of its responsibility, the Election Committee shall have available to it the assistance of staff and the advice of legal counsel provided by the Corporation.
- f. A member that is entitled to vote at a member meeting may comment upon a Member Meeting Issue or challenge the Election Committee's decision or action regarding a Member Meeting Issue by filing a written description of the Member's comment or challenge (the "Member Challenge") with the Corporation within three (3) business days of the relevant member meeting to which the Member Challenge relates. Within thirty (30) days of receiving a Member Challenge, the Election Committee shall:
 - 1. As determined by the Election Committee, meet and receive oral or written evidence from a member, or legal counsel representing a Member, directly and substantially implicated in, or affected by, the Member Challenge; and
 - 2. Consider, decide, and rule on the Member Challenge.

The Election Committee's decision regarding a Member Challenge is final. Upon written request by a member received by the Election Committee within thirty (30) days of an Election Committee decision or action, the Election Committee shall prepare a written report summarizing and explaining the Election Committee's decision or action. The failure of the Corporation or the election committee to act as required by these bylaws shall not, by itself, affect a vote, director election, or other action taken at a Member Meeting.

SECTION 7. Order of Business

The order of business at the annual meeting of the members and, so far as possible, at all other meetings of the members, shall be essentially as follows, except as otherwise determined by the members at such meeting;

1. Report on the number of members present in person in order to determine the existence of quorum.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers.
5. Election of directors.
6. Unfinished business.
7. New business.
8. Adjournment.

ARTICLE IV – DIRECTORS

SECTION 1. General Powers

The business and affairs of the Corporation shall be managed by a board of directors, which shall exercise all of the powers of the Corporation except as are by law, the articles of incorporation, or these bylaws conferred upon or reserved to the members.

SECTION 2. Election Districts for Directors

The territory served by the Corporation shall be divided into districts for the nomination and election of directors as follows:

1. Allen, Erie, Jefferson, Perry, Peru, Richland and Union townships in Miami County and Paw Paw township in Wabash County (two directors)
2. Adams, Bethlehem, Clay, Eel and Miami townships in Cass County (one director)
3. Deer Creek, Jackson, Tipton, and Washington townships in Cass County (one director)
4. Butler, Clay, Deer Creek, Harrison, Jackson, Pipe Creek, and Washington
5. townships in Miami County (three directors)

SECTION 3. Election and Tenure of Office

At the annual meeting of the members to be held in the year 2003, one director shall be elected from District 1, one director shall be elected from District 3 and a one director shall be elected from District 4, each for a term of three years; in the year 2004 one director shall be elected from

District 2 and one director shall be elected from District 4, each for a term of three years; in the year 2005, one director shall be elected from District 1 and one director shall be elected from District 4, each for a term of three years, and upon expiration of the terms of the directors so elected, all directors shall be elected for an additional term of three years or until their successors shall have been elected and shall have qualified. All directors shall be elected by ballot by and from the members. If an election of directors shall not be held on the day designated herein for the annual meeting or any adjournment thereof, a special meeting of the members shall be held for the purposes of electing directors within a reasonable time thereafter. Directors may be elected by a plurality vote of the members.

SECTION 4. Qualifications

No person shall be eligible to become or remain a director of the Corporation who:

- a. is not a member and bona fide resident of the election district in the area served or to be served by the Corporation;
- b. is in any way employed by or financially interested in a competing enterprise or a business selling electric energy, or supplies to the Corporation or a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to the members of the Corporation;
- c. is the incumbent of or nominated candidate for an elective public office in connection with a salary of ten (\$10,000) thousand dollars or more per annum;
- d. has been or is convicted of a felony; or
- e. is or has been an employee of the Corporation within the last three (3) years.

Upon establishment of the fact that a director is holding office in violation of any of the foregoing provisions, the board of directors shall notify such director of his violation, by registered mail. Said notice shall give the time and place of the meeting where the director can appear and be heard, after which the board may remove, or refuse to remove said director. The majority decision of the board of directors shall be final.

Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the board of directors.

SECTION 5. Nominations

Except as otherwise provided in these Bylaws, nominations for directors shall be made by written petition, in the form promulgated by the Corporation (the "Director Nomination Petition"), executed by any twenty (20) members of the Corporation. The Corporation shall make the form for Director Nomination Petitions available at the principal office. A member may not sign more than one Director Nomination Petition and only one joint member of a joint membership may sign a Director Nomination Petition. Each member signing a Director Nomination Petition shall provide the member's full name and shall provide the member's address and telephone number. Attached to the Director Nomination Petition shall be: biographical information about the person seeking nomination (the "Nominee") in the form specified by the Corporation; conflict-of-interest certification and disclosure form approved by the board of directors, signed by the Nominee, which certification shall be made available to the membership along with the Nominee's biographical information; and a written consent executed by Nominee for the release of background information and conflict of interest certification. The

Director Nomination Petitions and all accompanying materials must be delivered to the Corporation's principal office not later than 4:30 p.m. on any business day falling between the first (1st) calendar day of the month three (3) months prior to the date of the election and the tenth (10th) calendar day of the month two (2) months prior to the date of the election. The Corporation shall review the submitted Director Nomination Petitions to verify that the Nominee(s) qualify for the office of director and that the Director Nomination Petitions are duly and properly signed by the designated number of members. Except in the cases of a removal of a director or incumbency, as described herein, this procedure shall be the only method by which candidates for the position of director of the Corporation shall be nominated.

Incumbent directors are not required to submit a Director Nomination Petition to be renominated. In lieu thereof, an incumbent director seeking to be renominated must submit written notice of renomination to the Corporation's principal office not later than 4:30 p.m. on any business day falling between the first (1st) calendar day of the month three (3) months prior to the date of the election and the tenth (10th) calendar day of the month two (2) months prior to the date of the election.

SECTION 6. Removal of Directors by Members

Any member of the Corporation may bring charges against a director for malfeasance in office and conduct that might tend to bring disgrace and reproach on the director, or the Corporation, its officer, or members, by filing with the Secretary such charges in writing, together with a petition signed by at least ten per centum of the members requesting the removal of such director by reason thereof. The director against whom such charges have been brought shall be informed of the charges by registered mail not less than ten days prior to the board of director's 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. In the event the board does not remove such director, the question of his removal shall be considered and voted upon at the next meeting of the members.

SECTION 7. Vacancies

Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of directors by the members, any vacancy occurring in the board of directors shall be filled by the affirmative vote of the majority of the remaining directors for the unexpired portion of the term.

SECTION 8. Compensation

Directors shall not receive any salary for their services as directors, except that by resolution of the board of directors, a fair remuneration for the time actually spent and actual expenses of attendance, if any, may be allowed for attendance at each meeting of the board of directors, and in addition to said remuneration, directors can authorize additional remuneration that is not in conflict with these bylaws or the laws of Indiana. No director shall receive compensation for serving the Corporation in any other capacity, nor shall any close relative of a director receive compensation for serving the Corporation, unless the payment and the amount of compensation shall be specifically authorized by the board of directors or the service of such director or close

relative shall have been certified by the board of directors or the CEO as a temporary or emergency measure.

SECTION 9. Director Liability

A director shall not be personally liable while acting in good faith for the acts or omissions of the Corporation.

ARTICLE V – MEETINGS OF DIRECTORS

SECTION 1. Regular meetings

A regular meeting of the board of directors shall be held monthly at such time and place in Miami or Cass Counties, State of Indiana, as the board of directors may provide by resolution. 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 of directors may be called by the President or by any three directors and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The President or the directors calling the meeting shall fix the time and place (which shall be in Miami or Cass Counties, State of Indiana), for the holding of the meeting.

SECTION 3. Notice of Directors' Meeting

Written notice of the time, place, and purpose of any special meeting of the board of directors shall be delivered to each director not less than three 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 or the directors calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his address as it appears on the records of the Corporation with postage thereon prepaid. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting.

SECTION 4. Quorum

A majority of the board of directors shall constitute a quorum, provided, that if less than such majority of the directors 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 meeting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

SECTION 5. Conduct of board meetings.

Unless otherwise provided in these bylaws, any regular Board Meeting or Special Board Meeting (“Board Meeting”) may be conducted with absent directors participating, and deemed attending and present in person, through any means of communications by which all directors participating in the Board Meeting may simultaneously and approximately instantaneously communicate with each other during the Board Meeting.

If a director quorum is present at any Board Meeting, then:

- a. In descending priority, the following Officers may preside at the Board Meeting: President, Vice President, Secretary, and Treasurer; and
- b. If no Officer is present or if no Officer desires to preside over any Board Meeting, then **the directors attending the Board Meeting shall elect a director to preside over the Board Meeting.**

The Board may promulgate or approve rules, policies, and procedures regarding:

- a. The attendance at, participation in, or presentation during Board Meetings by persons other than directors;
- b. The right to access, inspect, or copy any Minutes, record, or other documents relating to any Board Meeting by persons other than directors; and
- c. The conduct of meetings.

ARTICLE VI – OFFICERS

SECTION 1. Number

The officers of the Corporation shall be a President, Vice President, Secretary, Treasurer, and such other officers as may be determined by the board of directors from time to time. The offices of Secretary and of 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 directors at the first regular meeting of the board of directors 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 directors following the next succeeding annual meeting of the members or until his successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the board of directors for the unexpired portion of the term.

SECTION 3. Removal of Officers and Agents by Directors

Any officer or agent elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interest of the Corporation will be served thereby. In addition, any member of the Corporation may bring charges against an officer for malfeasance in office and conduct that might tend to bring disgrace and reproach on the officer, or the Corporation, its directors, or members, by filing with the Secretary such charges in writing, together with a petition signed by at least ten per centum (10%) of the members and requesting the removal of such officer by reason thereof. The officer against whom such charges have been brought shall be informed of the charges by registered mail not less than ten days prior to the board of directors meeting at which the charges are to be considered and shall have the 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. In the event the board does not remove such officer, the question of his removal shall 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 Corporation and, unless otherwise determined by the members or the board of directors, shall preside at all meetings of the members and the board of directors;
- b. sign, with the Secretary, any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the board of directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board of directors or by these bylaws to some other officer or agent of the Corporation, 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 directors 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 restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him by the board of directors.

SECTION 6. Secretary

The Secretary shall:

- a. keep the minutes of the members and of the board of directors in one or more books provided for that 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 Corporation;
- d. have kept a register of the names and post office addresses of all members;
- e. have general charge of the books of the Corporation;
- f. keep on file at all times a complete copy of the articles of incorporation and bylaws of the Corporation containing all amendments thereto (which copy shall always be open to inspection of any member; and, if so directed by the Board, at the expense of the Corporation, forward a copy of the bylaws and of all amendments thereto to each member; and
- g. 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 directors.

SECTION 7. Treasurer

The Treasurer shall:

- a. have charge and custody of and be responsible for all funds and securities of the Corporation
- b. be responsible for the receipt of and the issuance of receipts for all moneys due and payable to the corporation and for the deposit of all such moneys in the name of the Corporation 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 Treasurer and such other duties as from time to time may be assigned to him by the board of directors.

SECTION 8. Chief Executive Officer

The board of directors may appoint a Chief Executive Officer (CEO) who may be, but who shall

not be required to be, a member of the Corporation. The CEO shall perform such duties and shall exercise such authority as the board of directors may from time to time vest in him.

SECTION 9. Bonds of Officers

The treasurer and any other officer or agent of the Corporation charged with the responsibility of custody of any of its funds or property shall give bond in such sum and with such surety as the board of directors shall determine. The board of directors in its discretion may also require any officer, agent or employee of the Corporation to give bond in such amount and with such surety, as it shall determine.

SECTION 10. Compensation

The powers, duties and compensation of officers, agents, and employees shall be fixed by the board of directors, subject to the provisions of these bylaws with respect to compensation for directors and close relatives of directors.

SECTION 11. Reports

The officers of the Corporation shall submit at each annual meeting of the members, reports covering the business of the Corporation for the previous fiscal year. Such reports shall set forth the condition of the Corporation at the close of such fiscal year.

ARTICLE VII – NON-PROFIT OPERATION

SECTION 1. Interest of Dividends on Capital Prohibited

The Corporation 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 Corporation on any capital furnished by its patrons.

SECTION 2. Patronage Capital in Connection with Furnishing Electric Energy

In the furnishing of electric energy the Corporation's operations shall be so conducted that all patrons will, through their patronage, furnish capital for the Corporation. In order to induce patronage and to assure the Corporation will operate on a non-profit basis the Corporation 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 Corporation are received with the understanding that they are furnished by the patrons as capital. The Corporation 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 Corporation 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 to their 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 legal obligation to do so and the patron had then furnished the Corporation corresponding amounts for capital.

All other amounts received by the Corporation from its operations in excess of cost 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 Corporation, after all outstanding indebtedness of the Corporation 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 the dissolution or liquidation, the board of directors shall determine that the financial condition of the Corporation 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 order or priority according to the year in which the capital is furnished and credited, the capital first received by the Corporation being first retired. IN no event, however, may any such capital be retired unless, after the proposed retirement, the capital of the Corporation shall equal at least fifty per centum (50%) of the total assets of the Corporation.

Capital credited to the account of each patron shall be assignable only on the books of the Corporation pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or part of such patron's premises served by the Corporation unless the board of directors, acting under policies of general application, shall determine otherwise.

Notwithstanding any other provision of these bylaws, the board of directors, 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 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 directors, 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 Corporation will not be impaired thereby.

The patrons of the Corporation, by dealing with the Corporation acknowledge that the terms and provisions of the articles of incorporation and bylaws shall constitute and be a contract between the Corporation and each patron, and both the Corporation 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 Corporation by posting in a conspicuous place in the Corporation's office.

SECTION 3. Patronage Refunds in Connections with Furnishing Other Services

In the event that the Corporation should engage in the business of goods or services other than electric energy, all amount received and receivable therefrom which are in excess of costs and expenses properly chargeable against the furnishing of such goods or services shall, insofar as permitted by law, be prorated annually on a patronage basis and returned to those patrons from whom such amounts were obtained.

SECTION 4. Patronage Capital in Connections with Power Supply Cooperatives

Capital credits received from Wabash Valley Power Association, the power supplier for the

Miami-Cass County Rural Electric Membership Corporation, shall be maintained as a separate capital credit account of the members of Miami-Cass County Rural Electric Membership Corporation; shall be allocated to the accounts of the members of the Miami-Cass County Rural Electric Membership Corporation in the year in which Miami-Cass County Rural Electric Membership Corporation receives written notice that Wabash Valley Power Association has allocated Capital Credits to the Miami-Cass County Rural Electric Membership Corporation. The separate capital credits received from Wabash Valley Power Association that are credited to the special capital accounts of the members of the Miami-Cass County Rural Electric Membership Corporation shall not be retired or distributed to the members until such time as capital credit has been actually distributed by Wabash Valley Power to Miami-Cass County Rural Electric Membership Corporation and until such time as the board of directors of Miami-Cass County Rural Electric Membership Corporation, by appropriate resolution duly adopted and passed, authorize the distribution of these special capital credits to the account of the members.

No notice of the allocation of these special capital credits shall be given to the member, but the member's special capital credits account shall be available for the member's inspection.

SECTION 5. Disposition of Unclaimed Capital Credits, Cash Retirements or Other Payments

Notwithstanding any provisions herein contained to the contrary and pursuant to the statutes of the State of Indiana (I.C. 8-1-13-11), the Corporation shall recover, after a period of two (2) years, any unclaimed stocks, dividends, capital credits, patronage refunds, utility deposits, membership fees, account balances, or book equity for which the owner (member or former member) cannot be found and are the result of distributable savings of the corporation, giving sixty (60) days notice in a newspaper printed in the English language and published in the country in which the corporation locates its general headquarters. Such notice shall state the owner's name and approximate amount of owner's interest, and that if not duly claimed within sixty (60) days of said notice, the same shall be turned over to the corporation, which shall reallocate the same to other members. If no provable claim shall have been filed by such notice within sixty (60) days after the one-time publication of said notice, the corporation by said member and thereafter allocate to the other members of the corporation on a pro rata basis for the year in which the sixtieth (60th) day falls after the published notice.

Any member or former member who fails to claim any cash retirement or capital credit or other payment within two (2) years after payment has been made available to such person, such failure will constitute an irrevocable assignment and gift to the corporation of such capital credits or other payments.

ARTICLE VIII – DISPOSITION OF PROPERTY AND FINANCING

The Corporation shall not sell, lease, or otherwise dispose of all, or substantially all, the property of the Corporation unless the same shall be authorized by a resolution duly adopted at a meeting of its members duly called and held as provided by law, which resolution shall have received the affirmative vote of at least a majority of all its members.

The board of directors of the Corporation shall have full power and authority, without

authorization by the members thereof, to authorize the execution and delivery of a mortgage or mortgages, or a deed or deeds of trust of, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises, and permits of the Corporation, whether acquired or to be acquired and wherever situated, as well as the revenues therefrom, for the purpose of financing the construction or maintenance of the 'Corporation's distribution, generation, or transmission system or systems and for general plant as defined in the Uniform System of Accounts, all upon such terms and conditions as the board of directors shall determine, to secure any indebtedness of the Corporation to any financial institution.

ARTICLE IX – SEAL

The corporate seal of the Corporation shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words “Peru, Seal, Indiana” and the figures “1939.”

ARTICLE X – FINANCIAL TRANSACTIONS

SECTION 1. Contracts

Except as otherwise provided in these bylaws, the board of directors 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 the behalf of the Corporation, and such authority may be general or confined to specific instances.

SECTION 2. Checks, Drafts, etc.

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 Corporation shall be signed by such officer or officers, agent or agents, employee or employees of the Corporation and in such manner as shall be from time to time be determined by resolution of the board of directors.

SECTION 3. Deposits and Investments

All funds of the Corporation shall be deposited or invested, from time to time, to the credit of the Corporation in such bank or banks or in such financial securities or institutions as the board of directors may select.

SECTION 4. Change in Rates

Prior to any adjustment to the Corporation's electric rates, written notice shall be provided to the National Rural Cooperative Finance Corporation or other such entities requiring notification, at least ninety (90) days prior to said changes taking effect.

SECTION 5. Fiscal Year

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

ARTICLE XI – MISCELLANEOUS

SECTION 1. Membership in Other Organizations

The Corporation shall not become a member of or purchase stock in any other organization without an affirmative vote of the members at a duly held meeting, the notice of which shall specify what action is to be taken upon such proposed membership or stock purchase, provided, however, that the Corporation may upon the authorization of the board of directors, purchase stock in or become a member of any corporation or organization organized on a nonprofit basis for the purpose of engaging in or furthering the cause of rural electrification.

SECTION 2. Waiver of Notice

Any member or director may waive in writing any notice of a meeting required to be given by these bylaws. The attendance of a member or director, except in case a member or director shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

SECTION 3. Rules and Regulations

The board of directors shall have power to make and adopt such rules and regulations, 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 Corporation.

SECTION 4. Accounting System and Reports

The board of directors shall cause to be established and maintained a complete accounting system, which among other things, is subject to applicable laws, rules, and regulations of any regulatory body. The board of directors shall also cause to be made annually a full and complete audit of the accounts, books and financial condition of the Corporation. Such audit reports shall be submitted to the members at the next following annual meeting.

ARTICLE XII – AMENDMENTS

These bylaws may be altered, amended or repealed by affirmative vote of not less than two-thirds (2/3) of all members of the board of directors; provided that notice of such alteration, amendment or repeal shall be given with the notice of the meeting.

DATE AMENDED: JULY 28, 2015

ATTESTED: 

DATE AMENDED: MAY 30, 2017

DATE AMENDED: MARCH 2, 2018

**RULES AND REGULATIONS
FOR ELECTRIC SERVICE MIAMI-CASS
RURAL ELECTRIC MEMBERSHIP CORPORATION**

Sec. 1. Definitions.

- (A) The word “REMC” shall mean Miami-Cass REMC.
- (B) The word “member” shall mean any person, firm, corporation, municipality or other government agency which has agreed, orally or otherwise, to pay for electric service received from the REMC.
- (C) The words “Rules and Regulations” shall mean this Rules and Regulations for Electric Service, as amended from time to time.
- (D) The word “disconnection” shall mean the termination or discontinuance of electric service.
- (E) The words “late payment charge” shall mean the one time penalty assessed by the REMC upon all current bills at such time as they become delinquent.

Sec. 2. Records to be Kept.

All records required by these rules shall be preserved for at least three years except as otherwise provided herein or required by policy of the REMC or by law. Such records shall be kept at the REMC’s principal place of business, or at such other places as the REMC shall designate.

Sec. 3. Meter Records.

- (A) Whenever any meter in service is tested, a record shall be preserved for at least three years containing the information necessary for:
 - (1) identifying the meter;
 - (2) the reason for making the test;
 - (3) the reading of the meter before the test;
 - (4) the result of the test;

together with all data taken at the time of the test in sufficiently complete form to permit the calculation of the average accuracy for billing adjustments if required.

- (B) Permanent records shall also be kept, systematically arranged, giving for each meter currently owned or used by the REMC and for at least three years thereafter, the year of purchase, its identification, and the record of the last test to which it has been subjected, with date and general results of the test. These records shall apply to all meters purchased after the

effective date of this rule and to all other meters insofar as the information is available.

Sec. 4. Location of Meters.

- (A) All meters shall be located outdoors where they are easily accessible for reading, testing, and making necessary adjustments and repairs.
- (B) Meters shall not be placed on any unstable partitions or supports. Unless unavoidable, meters should not be installed in any location where the visits of the meter reader or tester will cause unreasonable annoyance to the member or undue inconvenience to the REMC.
- (C) When a number of meters are placed on the same meter board, the distance between centers may be specified by the REMC, but in no case shall such distance be less than 7 1/2 inches. Upon request by the residential member, the REMC shall provide the member with the number of the meter which serves the individual member's premises, to provide the member with an opportunity to verify the meter readings. On an installation where similar types of meters record different units (KWH and RKVAH, for example) the meters shall be tagged or marked to indicate the units recorded. Meters should not be less than 4 feet nor more than 6 feet above the final standing surface, measured from the center of the meter cover, unless authorized by the REMC.

Sec. 5. Meter Testing Equipment and Facilities.

- (A) The REMC shall provide or have available such standard meters, instruments and other equipment and facilities as may be necessary to make the tests set forth in these rules.
- (B) It is assumed that each new watt-hour meter has been tested at the factory; however the REMC reserves the right to test further if deemed necessary.
- (C) Reference Standards. If the REMC does in-house testing it shall provide or have available suitable indicating electrical instruments, wattmeters and watt-hour meters (hereinafter called "reference standards") as may be necessary for testing the accuracy of watt-hour meters. The reference standard may be a service type watt-hour meter, but if so, it shall be permanently mounted in the meter testing shop of the REMC and be used for no other purpose than for checking portable watt-hour meter standards. Reference standards of all kinds shall be tested and adjusted, if necessary, at least once every two years by a recognized standardizing laboratory.
- (D) If the REMC has an independent testing company perform the meter testing, that testing company must provide a written statement that it has its reference standards tested and adjusted, if necessary, at least once every two years by a recognized standardizing laboratory.
- (E) Portable Standards. All portable watt-hour meter standards shall be checked against the

corresponding reference standards as often as may be necessary to give reasonable assurance that the errors will not change enough between successive calibrations to materially affect the results of measurements involving their use. If such check shows any portable watt-hour meter standard to be in error more than one per cent (1%) plus or minus, at any load at which the standard will be used, the standard shall be tested, adjusted and certified in the laboratory of the REMC, or in some other approved laboratory, unless calibration correction is used. Each portable watt-hour meter standard shall at all times be accompanied by a certificate or calibration card, signed by the proper authority, giving the date when it was last certified.

- (F) Portable Indicating Instruments. All portable indicating electrical testing instruments, such as voltmeters, ammeters and wattmeters, when in regular use in testing purposes, shall be checked against suitable reference standards as often as may be necessary to give reasonable assurance that the errors will not change enough between successive calibrations to materially affect the results of measurements involving their use, and if found appreciably in error at zero of more than one per cent (1%) of full scale value at commonly used scale deflection shall, unless calibration correction is used, be adjusted and certified in some approved laboratory.
- (G) Records of certification and calibration. Records of certification and calibration shall be kept on file in the office of REMC or a place designated by the REMC.

Sec. 6. Accuracy of Metering.

- (A) No watt-hour meter that registers at no load (the moving element making more than one (1) complete revolution when at “no load”), when the applied voltage is less than one hundred ten percent (110%) of standard service voltage, shall be placed in service or allowed to remain in service in such condition.
- (B) No meter shall be placed in service or allowed to remain in service that is in any way mechanically defective, has incorrect constants, or has not been tested for accuracy of measurements and adjusted, if necessary, to meet the following requirements:
 - (1) For watt-hour meters, the following:
 - (a) Average error not over two percent (2%), plus or minus.
 - (b) Error at full load not over one percent (1%), plus or minus.
 - (c) Error at light load not over three percent (3%), plus or minus.
 - (2) For curve drawing instruments, the electrical element error shall not exceed two percent (2%), plus or minus, of full scale indication.
 - (3) For integrating demand meters, the following:

- (a) Electric element errors shall not exceed the limits specified for watt-hour meters.
 - (b) For timing element, a cumulative error shall not be in excess of plus or minus two percent (2%) for the entire billing period. If the time of day is a factor in the rate schedule, the timing element, when operating under normal conditions of service, shall not indicate a difference of more than ten (10) minutes from correct time, and any incorrect indication of time caused by the temporary loss of utility service shall be corrected by the REMC by the end of the following work day.
- (4) For lagged demand meters, the following:
- (a) For electromagnetic type, the error shall not exceed two percent (2%), plus or minus, of full scale indication.
 - (b) For thermal type, the error shall not exceed four percent (4%), plus or minus, of full scale indication.
- (5) Watt-hour meters, except self-contained meters, which are to be used on circuits supplying inductive load, shall also be tested before installation at one hundred percent (100%) of manufacturer's rated test current at fifty percent (50%) lagging power factor, and, if necessary, adjusted so that the error under such conditions will not be more than two percent (2%), plus or minus. All new meters may be tested by a meter manufacturer if certified tests are supplied.
- (C) Where instrument transformers are used for metering, the ratio of transformation must be determined before installation; such information will be kept on file by the REMC.

Sec. 7. Tests of Electric Meters in Service.

- (A) Watt-hour Meters. All single-phase meters and three-wire network meters shall be tested when deemed necessary by the REMC or upon request of a member pursuant to Section 8 of these Rules and Regulations.
- (B) Demand Meters. Each demand meter, including thermal types, shall be tested as often as the watt-hour meter with which it is associated and, as nearly as practicable, at the same time.

Sec. 8. Meter Tests Upon Request by Member.

- (A) The REMC will test the accuracy of registration of a meter upon written request by a member. A second test of this meter may be requested after twelve (12) months. Thereafter, the member may be required to bear the full cost of any subsequent tests of this meter if (1) the meter was tested within the prior 36 months at the member's request and found to be in compliance, (2) the test is made at the member's request or due to a billing dispute, and (3) the meter is found to be in compliance. A report giving the results of such tests shall be

made to the member and a complete record of the same shall be kept on file.

Sec. 9. REMC Electric Bills.

- (A) A bill rendered periodically to a member for electric service must show at least the following information:
 - (1) The dates and meter readings of the meter at the beginning and end of the period for which the bill is rendered and the billing date.
 - (2) The number and kind of units of service supplied.
 - (3) The billing rate code.
 - (4) The previous balance, if any.
 - (5) The amount of the bill, as well as any service or minimum charge (if applicable).
 - (6) The round-up charitable billing amount, if any.
 - (7) The sum of the amount of the bill and the late payment charge.
 - (8) The date when the bill becomes delinquent and the date the late payment charge will be added to the bill.
 - (9) If an estimated bill, clear and conspicuous coding or other indication identifying the bill as an estimated bill.
 - (10) Printed statements or actual figures, or both, on either side of the bill must inform the member of the seventeen (17) day non-penalty period.
 - (11) An easily understood explanation of all codes or symbols, or both, used.
 - (12) The REMC may also include in the bill charges for other services rendered to the member and collect for those services using these same rules, including disconnection for nonpayment.

- (B) A bill is considered paid on time if payment is received within seventeen (17) days after the initial bill is postmarked. A bill is delinquent if paid after seventeen (17) days and ~~bill~~ shall be assessed a late payment charge. The late payment charge shall be ten percent (10%) of the first three dollars (\$3) and three percent (3%) of the excess of three dollars (\$3).

- (C) The REMC may estimate a member bill due to:
 - (1) A member request to estimate a bill.
 - (2) Inclement weather.
 - (3) Labor or union disputes.
 - (4) Inaccessibility of a member's meter, if the REMC has made a reasonable attempt to read it.
 - (5) Other circumstances beyond the control of the REMC, its agents, and employees.

- (D) The REMC shall, upon a member's request, and not less than once in a twelve (12) month period, compute and render a bill pursuant to an actual meter reading taken by the REMC.

- (E) The REMC shall develop an alternative billing method, commonly called budget or leveled billing.
- (F) If the REMC develops a round-up charitable billing plan that allows the REMC, with a member's consent, to round-up to the next even dollar amount the member's bill for a billing period, the difference between the member's estimated or actual bill for electric service and the rounded up bill may be contributed, when paid by the member, to the REMC's tax exempt foundation or qualified Internal Revenue Code Section 501(c)(3) trust for investment or use for charitable purposes in the REMC's service territory.

Sec. 10. Adjustment of Bills.

- (A) Adjustments Due to Meter Errors. If any service meter, after being tested, as provided for in these rules, is found to have a percentage of error greater than two percent (2%) for wathour meters and four percent (4%) for demand meters, the bills for service shall be adjusted as follows:
 - (1) Fast Meters--When a meter is found to have a positive average error, the REMC shall refund, or credit the member's account with the amount of any charges in excess of either (i) an average bill for the kilowatt hours and/or demand units incorrectly metered or (ii) separate bills individually adjusted for the percent of error for the period the meter was fast, if such period can be determined, or one year, whichever period is shorter. An average bill shall be calculated on the basis of kilowatt hours and/or demand units registered on the meter over corresponding periods either prior or subsequent to the period for which the meter is determined to be fast. No part of a minimum service charge shall be refunded.
 - (2) Stopped or Slow Meters--When a meter is stopped or has a negative average error, the REMC may charge the member for the kilowatt hours and/or demand units incorrectly registered for one-half of the period since the last previous test or one year, whichever is shorter. The amount of the charge to the member shall be estimated on the basis of either (i) an average bill as herein below described or (ii) separate bills individually adjusted for the percent of error. An average bill shall be calculated on the basis of kilowatt hours and/or demand units registered on the meter over corresponding periods either prior or subsequent to the period for which the meter is determined to be slow or stopped. The REMC may charge the member for such amounts except where the REMC negligently allows the stopped or slow meter to remain in service.
- (B) Other Billing Adjustments. All billing errors, including incorrect tariff applications, may be adjusted to the known date of error or for a period of one year, whichever period is shorter.

Sec. 11. Member Creditworthiness/Service for Existing Location.

- (A) The REMC may determine the creditworthiness of an applicant or member in an equitable and nondiscriminatory method, and as further provided in any policy of the REMC:
 - (1) without regard to the economic character of the area wherein the applicant or member resides; and
 - (2) solely upon the credit risk of the applicant or member without regard to the collective credit reputation of the area in which he or she lives.
- (B) If the applicant fails to establish that he or she is creditworthy under these Rules and Regulations and any applicable policy of the REMC, the applicant will be required to make a cash deposit as set forth in the REMC's Creditworthiness and Service Deposits Policy.
- (C) The REMC may require a present member to make a cash deposit as set forth in the REMC's Creditworthiness and Service Deposits Policy.
- (D) Requirements for interest upon deposits shall be as follows:
 - (1) Interest shall not be paid on deposits.
- (E) Requirements for refunds shall be as follows:
 - (1) For residential service only, after twenty-four months of satisfactory payment record, the deposit on file may be applied to a current bill of the member(s), and any remaining credit will be carried forward and applied to the next bill of the member(s). For the purpose of this Section "satisfactory payment" shall mean no more than three late payments received, no nonpayment disconnects, and no more than one NSF check/ACH within the aforementioned twenty-four month period.
 - (2) Refunds of deposits for non-residential service shall not be refunded until the time of final disconnection, subject to Section 11(G)(3) of these Rules and Regulations.
 - (3) The REMC may, at termination of service, apply a deposit on file to a final bill and refund any remaining credit to the last known address of the member.
 - (4) The REMC shall maintain a record of each applicant or member making a deposit that shows the following:
 - (a) The name of the member.
 - (b) The current address of the member so long as he or she maintains an active account with the utility in his or her name.
 - (c) The amount of the deposit.
 - (d) The date the deposit was made.
 - (e) A record of each transaction affecting such deposit.
 - (5) Any deposit made by the applicant, member, or any other person to the REMC (less any lawful deductions), or any sum the REMC is ordered to refund for utility

service, that has remained unclaimed for 2 years after the REMC has made diligent effort to locate the person who made such deposit or the heirs of such person, shall be presumed abandoned and are treated in accordance with Ind. Code §8-1-13-11.

- (F) The REMC will not provide electric service to a person or entity applying for electric service to or for any residence, office, building, premise, structure, facility, or other location to which the REMC has previously provided electric service if that same residence, office, building, premise, structure, facility, or location:
- (1) is currently owned, controlled, or otherwise occupied by a member who owes the REMC for electric service provided to or for that residence, office, building, premise, structure, facility, or location; or
 - (2) was previously occupied by an entity owned or controlled by the person applying for electric service, where such entity owes the REMC for electric service provided to or for that residence, office, building, premise, structure, facility, or location.

Sec. 12. Disconnection of Electric Service.

- (A) The member shall notify the REMC at least three (3) days in advance of the day disconnection is desired. The member shall remain responsible for all service used and the billings therefore until service is disconnected pursuant to such notice. Upon request by a member of the REMC to disconnect service, the REMC shall disconnect the service within three (3) working days of the requested disconnection date. The member shall not be liable for any service rendered to such address or location after the expiration of three (3) working days after the requested disconnection date. The REMC shall not be liable for damages, in contract or in tort, for any damages caused to the member or any other person as a result of disconnect service at the request of the member.
- (B) The REMC may disconnect service without request by the member of the service and without prior notice only:
- (1) if a condition dangerous or hazardous to life, physical safety or property exists; or
 - (2) upon order by any court or other duly authorized public authority; or
 - (3) if fraudulent or unauthorized use of electricity is detected and the REMC has reasonable grounds to believe the affected member is responsible for such use; or
 - (4) if the REMC's regulating or measuring equipment has been tampered with and the REMC has reasonable grounds to believe that the affected member is responsible for such tampering; or
 - (5) if the member has installed generation or fuel cells without proper safety equipment to ensure current cannot back feed through the REMC's power lines causing unsafe conditions for the REMC's employees working on the power lines.
- (C) Except as otherwise provided in subsections (A) and (B) of this rule, the REMC will

postpone the disconnection of service for up to ten (10) days if, prior to the disconnect date specified in the disconnect notice, the member provides the REMC with a medical statement from a licensed physician or public health official which states that disconnection would be a serious and immediate threat to the health or safety of a designated person in the household of the member. The postponement of disconnection shall be continued for one additional ten (10) day period upon the provision of an additional such medical statement.

(D) The REMC may not disconnect electric service to the member:

- (1) For failure to pay for merchandise or appliances;
 - (2) For failure to pay for the service rendered at a different metering point, residence, or location if such bill has remained unpaid for less than 45 days;
 - (3) Upon his/her failure to pay for services to a previous occupant of the premises to be served; or
 - (4) For failure to pay for a different form or class of utility service.
- (5) If a member or user is unable to pay a bill which is unusually large (due to high usage on the part of the member or user), the member may enter into a three (3) month agreement with the REMC. That agreement shall consist of the following. The member:
- (a) pays a reasonable portion of the bill, not to exceed one third (1/3) of the bill, unless the member agrees to a greater portion of the bill; and
 - (b) agrees to pay and does pay the remaining amount due over the next two (2) months, with each monthly payment being at least one half (1/2) of the remaining deferred amount; and
 - (c) agrees to pay all undisputed future bills for service as they become due (this means the member will be paying more than just one month's bill during the period covered by the agreement); and
 - (d) has not breached any similar agreement with the REMC made pursuant to this section within the last 12 months,

Provided, however, the REMC may add to the outstanding bill a late payment charge not to exceed the amount set pursuant to these rules and regulations; and provided, further, that the terms of agreement shall be put in writing by the REMC and signed by the member and by a representative of the REMC.

- (6) If a member or user is unable to pay a bill, which is unusually large due to a prior incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection or functioning of the meter, prior estimates where no actual reading was taken for over two months, stopped or slow meters, or any human or mechanical error of the REMC, and the member:
- (a) pays a reasonable portion of the bill, not to exceed an amount equal to the

member's average bill for the six (6) bills immediately preceding the bill in question;

- (b) agrees to pay the remainder within a reasonable period of time; and
- (c) agrees to pay all undisputed future bills for service as they become due,

Provided, however, that the REMC may not add to the outstanding bill any late fee; and provided, further, that the terms of the agreement shall be put in writing by the REMC and signed by the member and a representative of the REMC.

(7) If a member timely, before payment is due, disputes a bill according to the procedure set forth in Section 14 of these Rules and Regulations, and the member timely pays on the disputed bill an amount equal to the member's average bill for three (3) months immediately preceding the disputed bill; provided, however, that the member shall promptly pay any and all amounts determined to be due by the REMC management and/or Board pursuant to Section 14 of these Rules and Regulations.

- (E) The REMC will disconnect service during between the hours of 8:00 a.m. and 3:00 p.m., except that disconnections pursuant to subsections (A) and (B) of this rule are not subject to this limitation.

The REMC will not disconnect service for nonpayment on any day, or beyond twelve noon (12:00 noon) of the day immediately preceding any day, on which the REMC's office is not open to the public.

- (F) Except as otherwise provided herein, service to any member may be disconnected for nonpayment, or for a violation of any service rule or regulation of the REMC, upon fourteen (14) days prior written notice to such member by mailing the notice to such member at any address shown on the records of the REMC, in which case the notice may be included on the member's monthly billing, or by personal delivery of the notice to the member or a responsible member of his/her household or business at any address shown on the records of the REMC. The notice should be in language which is clear, concise, and easily understandable to a layperson and shall state the following:

- (1) the date of the proposed disconnection;
- (2) the specific factual basis and reason for the proposed disconnection;
- (3) the telephone number of the REMC's office which the member may call during regular business hours in order to question the proposed disconnection or seek information concerning his/her rights;
- (4) that service may be disconnected to all meters jointly or singly in the member's name.
- (5) a reference to these Rules and Regulations for information as to a member's rights and where copies may be obtained.

If the REMC has provided notice to a member pursuant to this section, the REMC may

disconnect service to all meters held jointly or singly in the member's name.

- (G) When an employee of the REMC is designated to physically perform the disconnection, the employee shall make a reasonable attempt to identify himself or herself to the member or any other responsible person then upon the premises, announce the purpose of his or her presence, make a record thereof to be maintained for at least 30 days, have in his or her possession information sufficient to enable him or her to inform the member or other responsible person of the reason for disconnection, including the amount of any delinquent bill of the member, and request the member for any available verification that the outstanding bill has been satisfied or is currently in dispute pursuant to review. Upon the presentation of such credible evidence, service shall not be disconnected.

The employee may accept payment from the member, user, or other responsible person in order to prevent the service from being disconnected. When the employee has disconnected the service, the employee shall give to a responsible person at the member's premises or, if no one is at home, shall leave at a conspicuous place on the premises, a notice stating that service has been disconnected and stating the address and telephone number of the REMC where the member may arrange to have service reconnected.

- (H) Appropriate to the situation, the REMC will charge a collection charge, reconnection charge and additional service deposit, as approved by the REMC's Board from time to time.

If the REMC disconnects service in violation of these service rules and regulations, service shall promptly be restored at no penalty to the member.

The REMC will reconnect the service to the member or user as soon as reasonably possible but at least within one (1) working day after it is requested to do so if the member has satisfied the requirements of these service rules and regulations.

Sec. 13. Winter Disconnects.

- (A) Consistent with Indiana Code 8-1-2-121, without member request, the REMC will not, during the period from December 1 through March 15, disconnect electric residential service to any member who either is receiving or who is eligible for and has applied for assistance under Indiana Code 4-4-33.
- (B) During the period from December 1 through March 15, the REMC may not disconnect service to such members if:
 - (1) The members' eligibility to receive benefits pursuant to Indiana Code 4-4-33 is being determined by a local Community Action Agency or its designee after the submission of a complete application for benefits by the member; and
 - (2) The member has furnished to the REMC proof of his application to receive such benefits or the REMC has been so notified in writing by a local Community Action

Agency or its authorized representatives.

- (C) This rule does not prohibit the REMC from terminating residential electric service upon the request of a member or under the following circumstances:
 - (3) If a condition dangerous or hazardous to life, physical safety, or property exists.
 - (4) Upon order by any court or other duly authorized public authority.
 - (5) If fraudulent or unauthorized use of electricity and the REMC has reasonable grounds to believe the affected member is responsible for such use.
 - (6) If the REMC's regulating or measuring equipment has been tampered with and the REMC has reasonable grounds to believe that the affected member is responsible for such tampering.

Sec. 14. Complaints and Review.

Upon receiving a complaint, the REMC's employees will promptly investigate such complaint, confer with the member when requested, and notify the member of the proposed disposition of the complaint.

Complaint Procedure: A member may complain at any time to the REMC about any bill which is not delinquent at that time, security deposit, disconnection notice, or any other matter relating to its service. Such complaints should be made in writing, in person, or by telephone. Such complaints, in order to be complete, must include the electric account holder's name, service address, and the general nature of the inquiry or complaint. The REMC will promptly and thoroughly investigate the inquiry or complaint and will notify the member of the proposed disposition within five (5) working days of the initial notification. *Filing of a complaint or inquiry does not relieve the member from payment of any electric bill or any portion thereof, except as specifically provided in subsection 12(D)(7) of these Rules and Regulations.* Any member with a complaint which is not satisfactorily resolved by staff may submit the member's complaint to the management; if still not satisfactorily resolved, the member may submit the complaint in writing to the Board. The completed written complaint will be reviewed by the Board and a written response thereto provided to the member. If the member filing the complaint is not satisfied with the Board's response, the member may then ask to meet with the Board to discuss the complaint, which meeting will be conducted consistent with the Board's practices and/or policies. A complaint will be considered filed upon receipt by the Chairperson of the Board, except mailed complaints shall be considered filed as of the postmark date.

Sec. 15. Rules, Regulations and Rate Schedules.

- (A) The REMC must publish and inform all applicants for service and all current member of the availability of these service rules and regulations. The rules and regulations shall be available in writing and on the internet.
- (B) The REMC shall supply, free of charge, a copy of the rate schedules applicable to the types

of service available to new applicants for and existing member of residential service upon request by the applicant or member.

Sec. 16. Standard Voltage and Permissible Voltage Variation.

- (A) The REMC shall adopt a standard nominal service voltage of 120 Volts, as may be required by its distribution system for its entire constant voltage service.
 - (1) For residential service, the voltage shall be within five percent (5%) plus or minus of the standard nominal service voltage.
 - (2) A greater variation of voltage than specified above may be allowed when service is supplied directly from a transmission line, or in a limited or extended area where members are widely scattered or the loads served do not justify close voltage regulation. In such cases the best voltage regulation should be provided that is practicable under the circumstances.
- (B) Variations in voltage in excess of those specified, caused by:
 - (1) the operation of power apparatus on the member's premises which necessarily requires large starting current,
 - (2) the action of the elements, and/or
 - (3) the infrequent and unavoidable fluctuations of short duration due to station operation shall not be considered a violation of this rule.

Sec. 17. Accidents.

The REMC shall, whenever an accident involving REMC facilities occurs with loss of human life or severe injury, give immediate notice thereof to proper law enforcement agencies. The REMC will also, in the event of any such accident, perform an investigation of said accident.

Sec. 18. Safety Rules.

In all cases not covered by specific statutes in effect, Part 2, "Safety Rules for the Installation and Maintenance of Overhead Electric Supply and Communication Lines", and Part 3, "Safety Rules for the Installation and Maintenance of Underground Electric Supply and Communication Lines", of the 2002 edition of the National Electrical Safety Code as approved by the American National Standards Institute June 14, 2001, as ANSI Standard C2, are prescribed for overhead and underground construction commenced after the date of adoption of this section; provided, however that if the NESC is revised and the revised edition adopted in Indiana, such revised edition shall therefore also be applicable. Notwithstanding the forgoing, nothing contained herein shall require the REMC to upgrade its facilities to the current standard so long as the facilities were constructed to the then current standard when originally constructed.

Sec. 19. Line Extensions.

(A) In addition to its existing statutory responsibilities, and subject to (B) through (D) below, the REMC shall, upon proper application for service, construct, own, operate and maintain the necessary electrical facilities for rendering service to the member's meter, in the case of underground services, or weatherhead, in the case of overhead services. For overhead installations, the member must install the weatherhead, meter base, conduit and wire that run from the meter base to the weatherhead. For underground installations, the REMC will provide enough cable to reach the meter base. However, the member must install the meter base and the conduit from the meter base to the bottom of the trench.

(B) Contribution in Aid of Construction.

The of the REMC may adopt and implement policies requiring members and applicants that are requesting line extensions to pay to the REMC, in advance of construction, certain contributions in aid of construction in order to allow the REMC to extend its lines and provide necessary facilities to serve members and/or applicants for service. Such policies shall set forth the manner for determining when a contribution in aid of construction shall be required, as well as the method for calculating the same. Regardless of any payment(s) made toward line extension costs hereunder, the line, during and after construction, shall be and remain at all times the sole and exclusive property of the REMC.

(C) Line Extension Agreements.

Applicants and/or members requesting a line extension may be required to enter into a line extension agreement upon the terms and conditions established by the Board of Directors of the REMC in advance of construction. Applicants requesting a line extension shall, if not already a member of the REMC, make an application for membership and agree to be bound by the REMC's articles of incorporation, code of bylaws, rules, regulations, rate schedules, terms and conditions of service, and policies, as the same may be amended from time to time by the Board of Directors of the REMC.

(D) Easements.

Applicants and/or members requesting line extensions shall agree to execute such easements and licenses over, under, and across the member's real property for the line extension hereunder and for location of such other facilities as the REMC requires to serve the member or other members of the REMC as the REMC shall request from time to time. Applicants for service and/or members shall grant to the REMC an irrevocable license for the REMC, its employees or agents, to cross the member's property for the purpose of constructing, modifying, repairing, upgrading or replacing the line described herein and other REMC facilities

located or to be located thereon as the REMC deems necessary and convenient from time to time to serve the member and other members of the REMC.

Sec. 21. Modification of Member's Facilities.

If a member requests for their convenience or by their actions requires the REMC's facilities be redesigned, reengineered, relocated, removed, modified or reinstalled, the REMC may require the member to make payment to it of the full cost of performing such service.

Sec. 22. Saving Clause.

The adoption of these rules shall in no way preclude the REMC from altering or amending the same, in whole or in part, as deemed appropriate from time to time.