



# BYLAWS

RED-LINE VERSION  
MARCH 21, 2024

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## Article I – Membership

### A. Requirements for Membership

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

1. Submitting an application for membership therein and paying the membership fee or requesting orally or in writing to become a member and paying the membership fee; and
2. Agreeing to purchase, or purchasing electric energy from SECO Energy as hereinafter specified.

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

For purposes of this Section, any person, firm, association, corporation or body politic or subdivision thereof who requests orally or in writing to become a member of SECO Energy, and, who pays the membership fee as hereinafter provided, and, who receives, consumes, purchases or otherwise uses electric service from SECO Energy shall be a member of SECO Energy subject to all the rights and duties thereof. Notwithstanding the foregoing, the Board of Trustees may deny membership to any person, firm, association, corporation or body politic or subdivision provided that there is a lawful reason for such denial.

### B. Evidence of Membership

Membership in SECO Energy shall be evidenced by the record in SECO Energy’s books of accounts that the prescribed membership fee has been paid.

### C. Joint Membership

Married couples may apply for a joint membership and, subject to their compliance with the requirements set forth above in this Article, may be accepted for such membership. The term “member” as used in these Bylaws shall be deemed to include spouses holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of joint memberships. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect to the holders of a joint membership shall be as follows:

1. The vote of either separately or both jointly shall constitute one joint vote;
2. A waiver of notice signed by either or both shall constitute a joint waiver;
3. Notice to either shall constitute notice to both;
4. Expulsion of either shall terminate the joint membership;

5. Withdrawal of either shall terminate the joint membership;
6. Either but not both may be elected as a Trustee, provided the elected spouse meets the qualifications for such office.

#### D. Conversion of Membership

1. A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse to comply with the Articles of Incorporation, Bylaws and policies, rules and regulations adopted by the Board of Trustees. The membership record shall be changed from an individual to a joint status.
2. Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely by the survivor. Any unretired capital credits allocated to the joint membership shall, from that time forward, be shown on SECO Energy's records in the name of the survivor, to be retired to the survivor subject to SECO Energy policies and bylaws as though the account had always been solely in the survivor's name.

#### E. Membership Fee

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

#### F. Purchase of Electric Energy

1. Except as may otherwise be required by law, each member shall, as soon as electric energy becomes available, purchase from SECO Energy electric energy consumed on the premises specified in the member's application for membership and shall pay rates which shall from time to time be fixed by the Board of Trustees. However, energy produced on a member's property may only be used by the member. The Board of Trustees may limit the amount of electric energy which SECO Energy shall be required to furnish any one member.
2. Amounts paid for electric service in excess of the cost of service are furnished by members as capital and each member shall be credited with capital so furnished as provided in Article VII of these Bylaws. SECO Energy shall have the right, but not the obligation, to set-off, recoup, or offset any amounts due and owing from the member to SECO Energy. Each member shall pay to SECO Energy such minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the Board of Trustees from time to time and provided in SECO Energy's rate tariffs. Each member shall pay all amounts owed by the member to SECO Energy as and when the same shall become due and payable and shall not have the right to offset any debt owed to SECO Energy by capital credits accrued.
3. Each member may produce electrical energy for the member's use; however, the production or use of electrical energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with SECO Energy facilities, shall be subject to appropriate regulations, policies and tariffs as shall be fixed from time to time by SECO Energy.

## G. Conditions of Membership and Termination of Membership

1. In order for a member of SECO Energy to continue as a member of SECO Energy, such member shall have paid a membership fee of five dollars plus such necessary deposits as may from time to time be required in keeping with policies adopted by the Board of Trustees. Members must continue to receive electric service from SECO Energy and maintain an active account with SECO Energy at all times. Members shall not permit their account(s) with SECO Energy for electric service to become delinquent as is defined in policies adopted by the Board of Trustees.
2. Each member by virtue of paying the membership fee agrees to be bound by these Bylaws and grants SECO Energy the right to enter upon the member's property and the right to place, insert, construct, operate, maintain, relocate and replace thereon such items as may be necessary to enable SECO Energy to furnish service, obtain meter readings, manage vegetation and remove or trim trees in proximity to SECO Energy facilities. Each member agrees to sign documents reasonably necessary to record an electric utility easement in the public record for these purposes should SECO Energy desire.
3. Should a member fail to meet any of the foregoing conditions of membership as set forth in Article I. G. 1. and I. G. 2. above, such membership, upon order of the CEO, shall cease and be terminated.
4. Membership in SECO Energy may be withdrawn without prior Board Action by oral or written request of the member.
5. When membership in SECO Energy terminates, the fee of the membership terminated shall be returned provided such member is not indebted to SECO Energy for any unpaid bill or account, and in that event, the membership fee may be applied by SECO Energy against such bill or account.
6. In addition to the other provisions of this section regarding the termination of membership, the Board of Trustees of SECO Energy may, by the affirmative vote of not less than two-thirds of all the Trustees, expel any member who shall have refused or failed to comply with any of the provisions of the Articles of Incorporation, Articles of Conversion, Bylaws or policies, rules or regulations adopted by the Board of Trustees, but only if such member shall have been given written notice by the Secretary or CEO of SECO Energy that such refusal or failure makes such member liable to expulsion and such refusal or failure shall have continued for at least ten days after such notice is given. Any expelled member whose membership has been terminated by SECO Energy may be reinstated by the CEO, or by majority vote of the Board of Trustees
7. When membership in SECO Energy is terminated by SECO Energy for any reason, or by withdrawal, death, cessation of existence or expulsion, the membership of such member shall then terminate and that member's right to vote as a member of SECO Energy shall cease. Termination of membership in any manner shall not release a member or such member's estate from any debts or obligations due to SECO Energy or constitute a revocation of any easements or rights of SECO Energy to access its facilities.
8. The membership fee shall be deemed returned to the member for the purposes of this Bylaw when such fee is mailed to the member at the member's last known address appearing in the records of SECO Energy or when all or a portion thereof is applied to the member's indebtedness to SECO Energy and any surplus thereof mailed to the member as above set forth.



9. A member who believes their membership to have been wrongfully terminated by SECO Energy may apply to the Board of Trustees for a hearing at any regular or Special Meeting called for that purpose, and at such hearing may be reinstated to membership upon a majority vote of the Board of Trustees.

## Article II – Rights and Liabilities of Members

### A. Property Interests of Members

Members shall have no individual or separate interest in the property or assets of SECO Energy except upon dissolution, after (a) all debts and liabilities of SECO Energy 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 SECO Energy shall be distributed among the members in the proportion which the aggregate patronage of each bears to the total patronage of all members of SECO Energy during the seven years next preceding the date of the filing of the certificate of dissolution.

### B. Non-liability for Debts of SECO Energy

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

### C. Mailing Address of Members

It shall be the duty and responsibility of each member and of each former member of SECO Energy to keep SECO Energy advised of the member's or former member's current mailing address and contact information. SECO Energy may rely on and use a member's or former member's address and contact information as shown on its records for, among other things, the purposes of communication and return of retired capital credits.

## Article III – Meetings of Members

### A. Annual Meeting

The Annual Meeting of the members shall be held during the first four months of each year at such place within a county served by SECO Energy as selected by the Board of Trustees, and which shall be designated in the notice of the meeting, for the purpose of announcing the Board of Trustees and transacting such other business as may come before the meeting. It shall be the responsibility of the Board of Trustees to make adequate plans and preparations for the Annual Meeting. Failure to hold an Annual Meeting or failure to attain a quorum at the Annual Meeting shall not constitute a forfeiture or dissolution of SECO Energy.

## B. Special Meetings

Special Meetings of the members may be called by resolution of the Board of Trustees upon the written request of any three Trustees, by the President, or by ten percent or more of all the members. It shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special Meetings of the members may be held at any place in the State of Florida within the area served where appropriate facilities are available and as specified in the notice of the Special Meeting.

## C. Notice of Members Meetings

1. Written, printed, or electronic notice shall be prepared stating the place, day and hour of the meeting and, in the case of a Special Meeting or an Annual Meeting at which business other than that listed in Section H of this Article is to be transacted, shall include the purpose or purposes for which the meeting is called. Such notice shall be delivered by the persons calling the meeting, to each member, not less than ten days nor more than forty-five (45) days before the date of the meeting, either personally, by mail or electronically, at the direction of the Secretary; provided, however, that the form of notice and method of delivery shall in any event be as prescribed by general law. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the members at their addresses as they appear on the records of SECO Energy, with postage thereon prepaid. If electronically provided, such notice shall be deemed to be delivered on the date that the notice is sent to an e-mail address which has been provided by the member to SECO Energy. Notice of the Annual Meeting or Special Meeting may, but need not, be sent with a member's billing statement. The failure of any member to receive notice of an Annual or Special Meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.
2. Written notice printed or electronically provided stating the place, day and hour of a District Meeting shall be delivered to each member residing in such district not less than thirty (30) days nor more than forty-five (45) days before the date of the meeting, either personally, by mail or electronically, at the direction of the Secretary. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at the address as it appears on the records of SECO Energy, with postage thereon prepaid. If electronically provided, such notice shall be deemed to be delivered on the date that the notice is sent to an e-mail address which has been provided by the member to SECO Energy. The failure of any member to receive notice of a District Meeting shall not invalidate any action which may be taken by the members at such meeting.

## D. Quorum

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



## E. Voting

1. Each member shall be entitled to only one vote. All questions shall be decided by a vote of a majority of the members voting thereon in person, by mail or by limited proxy, except as otherwise provided by law, the Articles of Incorporation, Articles of Conversion, or these Bylaws. Voting by mail shall be permitted so long as such votes are received prior to the stated deadline and submitted in accordance with procedures adopted by the Board. Members may vote by limited proxy so long as such votes are submitted in accordance with procedures adopted by the Board. Members voting by mail or limited proxy as authorized herein shall be counted as present in person for determination of a quorum provided that members voting by mail or limited proxy shall not be counted on any matter raised at a meeting which was not specifically listed and identified on the mail ballot or proxy. For purposes of this section, a limited proxy is one on which a member has recorded a vote for or against an issue or issues specifically listed on the proxy. In no event shall any limited proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which the proxy is given. Every proxy is revocable at any time at the pleasure of the member executing it. Unless allowed in procedures adopted by the Board, no person shall vote as proxy for more than three members at any meeting of the members.
2. Voting by members other than members who are natural persons shall be allowed upon the presentation to SECO Energy, prior to or upon registration at each member meeting of satisfactory evidence entitling the person presenting the same to vote on behalf of such member.
3. Voting by the spouse of a member shall be permitted upon presentation to SECO Energy prior to or upon registration at each member meeting of satisfactory evidence entitling the spouse presenting the same to vote on behalf of said member.
4. The Board may, from time to time, adopt a policy or policies authorizing members to vote by mail or electronic transmission if not prohibited by law. Voting by mail or electronic transmission under such a policy may be permitted so long as such votes are submitted in accordance with procedures adopted by the Board. The question upon which a member may vote shall be included with the notice of the meeting. Members voting by mail, limited proxy, or electronic transmission as authorized in this Article shall be counted as present in person for determination of a quorum, provided that members so voting by mail, limited proxy, or electronic transmission shall not be counted on any matter raised at a meeting which was not identified in the notice of the meeting. An executed or electronically signed ballot appearing to have been transmitted by the member, or a reproduction of a ballot, is a sufficient ballot.

## F. Voting Districts

The territory served or to be served by SECO Energy is divided into nine Districts. Each District shall be represented by one Trustee. The Board of Trustees may amend the District lines from time to time at its discretion.

## G. Election of Trustees

1. Not less than thirty (30) days nor more than sixty (60) days before the Annual Meeting of the members, the Board of Trustees shall call a separate meeting of the members of each Trustee's District whose term will expire at the next Annual Meeting at a suitable place in such District for

the purpose of electing one person as Trustee to represent the members located within such District. The notice of such meeting shall be delivered to each member located in such District as provided in Article III. C. of these Bylaws and shall indicate the District to which such members reside. The notice shall state that an election of their Trustee to represent their District is to be made at the meeting. The meeting shall be open for discussion of any other matters pertaining to the business of SECO Energy, regardless of whether or not such matters were listed in the notice of the meeting, and recommendations with respect thereto may be submitted to the Board of Trustees or the entire membership.

The District Meeting shall be called to order by the Trustee representing the District or by another designated representative of the Board of Trustees.

The members shall elect a chair, who shall be someone other than a Trustee, who shall appoint a secretary to act for the duration of the meeting. Twenty (20) members residing in the District present at such duly called District Meeting shall constitute a quorum. Members of other Districts present at the meeting may be heard but shall have no vote. Those persons and only those persons who have been certified by the Secretary as provided in Article III. G. 2. shall be considered nominated and eligible for election at the meeting. Candidates must be members residing in the District and must be certified as required by paragraph 2 of this section to possess the qualifications for Trustee specified in Article IV of these Bylaws.

2. In order for a member to be nominated at a District Meeting for the position of Trustee, his or her name and intent to run for such position must be received by SECO Energy at the corporate headquarters to the attention of the CEO within fifteen (15) days after the date of sending the notice of meeting unless such fifteenth day is a Saturday, Sunday or legal holiday in which case it shall run to the end of the next day which is not a Saturday, Sunday or legal holiday. SECO Energy shall determine whether such prospective candidate meets the qualifications of Article IV. B. of these Bylaws. The Secretary of SECO Energy shall certify the names of all prospective candidates who shall satisfy the said requirements prior to the District Meeting. If the Secretary certifies only one candidate, that candidate, without election, shall be declared the Trustee for the District at the District Meeting provided such candidate continues to meet the qualifications to serve as Trustee as provided in these Bylaws.
3. Voting at a District Meeting shall be by ballot in person. No member at any voting District Meeting shall vote by limited proxy or by mail. Each member may vote for one candidate and all votes must be received prior to closing registration. The nominee receiving the highest number of votes shall be declared the Trustee for the District. In the event two or more candidates receive the same highest number of votes the selection between such candidates shall be made by chance. The minutes of such District Meeting shall set forth, among other things, the name of each person nominated at the District Meeting and the number of votes received by each and shall specify the Trustee for the District. A certified copy of the minutes, signed by the secretary and the chair of the District Meeting, shall be delivered to the Secretary of SECO Energy.

#### H. Order of Business

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

1. Report as to the number of members present in order to determine the existence of a quorum.

2. Reading of the notice of the meeting and proof of the due publication or mailing thereof or the waiver or waivers of notice of the meeting as the case may be.
3. Reading or waiver of reading of unapproved minutes of previous meeting of the members and the taking of necessary action thereon.
4. Announcement of Trustees.
5. Presentation and consideration of reports of officers, Trustees and committees.
6. Unfinished business.
7. New business.
8. Adjournment.

Notwithstanding the foregoing, the Board of Trustees or the members themselves may from time to time establish a different order of business for the purpose of assuring the earlier considerations of any action upon any item of business and transaction of which is necessary or desirable in advance of any other item of business. Unless noticed for the meeting, no new business will be voted on by the members unless approved by the chair of the meeting or a majority of the Board of Trustees. Notwithstanding any other provisions of these Bylaws, the Board of Trustees may authorize any SECO Energy meeting, including, but not limited to, the Annual Meeting, to be held as a virtual meeting provided provisions are made for appropriate member participation. Members may participate in any meeting of members by means of remote communication to the extent the Board of Trustees authorizes such participation of members. Participation by means of remote communication includes, but is not limited to, conference telephone, webcast, or similar communications or electronic mechanism. Remote participation in a meeting of the members shall be subject to such guidelines and procedures adopted by the Board of Trustees and in accordance with Florida Statutes.

## Article IV – Trustees

### A. General Powers

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

### B. Qualification and Tenure

Those Trustees elected at the District Meetings shall assume the duties of office of Trustee immediately following adjournment of the next Annual Meeting. Such Trustees shall be elected to serve the best interest of SECO Energy as a whole. Such Trustees shall serve a three-year term of office and until their successors are duly elected. The term of office of the members of the Board of Trustees is divided so that the terms of at least three members of the Board of Trustees shall expire each year at the Annual Meeting of SECO Energy. The system of rotation in terms of office of the Board of Trustees heretofore established in which the terms of office of Trustees from Districts (2), (4) and (6) expire at the Annual Meeting in 2020, and terms of office of Trustees from Districts (7), (8) and (9) expire at the Annual Meeting in 2021, and terms of office of Trustees from Districts (1), (3) and (5) expire at the Annual Meeting in 2022, is hereby

confirmed. A Trustee whose term expires shall be eligible for immediate re-election to a full term as Trustee. If the election of Trustees has not been held on the day designated for a District Meeting, or at any adjournment thereof, the Board of Trustees shall cause the election to be held at a Special Meeting of the District as soon thereafter as it may conveniently be held. In the event an election is not held at the Special District Meeting the incumbent Trustees whose term of office would have been voted on shall hold over to the next regularly scheduled District Meeting at which a quorum is present.

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

1. He or she is not a member of SECO Energy and receiving electric service from SECO Energy; or
2. He or she is to represent a particular District and is not a bona fide resident in good standing of the District from which he or she is elected for a minimum of one year immediately before becoming a Trustee; or
3. He or she is in any way employed by or has a material financial interest in a competing enterprise or business selling electric energy and/or services; or
4. He or she is or has in the last five calendar years been a full-time or part-time employee of SECO Energy; or
5. He or she is a spouse, parent, child or sibling of a current trustee or person described in paragraphs 3 and 4 above; or
6. He or she is not a member in good standing concerning Cooperative service at his or her principal place of Residence. A member in good standing is a member whose account with SECO Energy is current; or
7. He or she has been convicted of any felony; or
8. He or she does not have legal capacity to enter into a binding contract; or
9. He or she is incapable of performing the duties of a Trustee; or
10. He or she materially violates any Code of Conduct or Code of Ethics adopted by the Board of Trustees.

The Board of Trustees, except the incumbent for the district to which a candidate seeks to be elected or a Trustee charged with a violation of the above, shall determine all questions of qualification.

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

#### C. Removal of Trustee by the Board of Trustees

Upon establishment of the fact that a Trustee is holding office in violation of any of the foregoing provisions it shall immediately become incumbent upon the Board of Trustees to remove such Trustee(s) from office.

If any Trustee shall be charged in any court with the commission of a felony such person shall be

immediately suspended as a Trustee of SECO Energy without any of the benefits of that office and such suspension shall continue pending final decision on such charge. If such person shall be found “not guilty” or if the charges shall be dismissed then such person shall be immediately reinstated as a Trustee with all benefits of such office.

Except as set forth above, no person shall be removed or suspended as a Trustee of SECO Energy until after such person shall be given ten days prior written notice of a hearing at which the Board of Trustees, with the exception of the Trustee proposed to be removed or suspended, shall determine the question of removal or suspension of such person based on testimony and evidence presented to it. Such person may be represented by an attorney. If, following such hearing, six Trustees vote to remove the charged Trustee from office, the charged Trustee shall be removed from office and the Trustee position shall be declared vacant.

#### D. Removal of Trustees by Members

Any member may bring charges against a Trustee by filing such charges in writing with the Secretary together with a petition signed by at least ten percent of the members of the District which elected such Trustee and request the removal of such Trustee by reason thereof. The Trustee against whom such charges have been brought shall be informed in writing of the charges at least five days prior to the meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person and by counsel to present evidence regarding the charges. The person or persons bringing the charges against such Trustee shall have the same opportunity. The question of the removal of such Trustee shall be considered and voted upon at the next regular or Special District Meeting of the members and any vacancy created by such removal may be filled as provided in Article IV. E. of these Bylaws.

#### E. Vacancies

A vacancy occurring in the office of Trustee shall occur either upon removal of a Trustee as provided herein or upon the Board of Trustees declaring a vacancy based upon the resignation, death or prolonged incapacitating illness of a Trustee. “Prolonged incapacitating illness of a Trustee” shall mean ninety (90) continuous days or longer during which the Trustee is not mentally or physically capable of performing the duties of a Trustee.

If the remaining unexpired term of the Trustee vacancy is less than eight months, the seat shall remain vacant until the next regular District election.

If the remaining unexpired term of the vacant Trustee position is eight months or greater, then a Special Meeting of the Trustee District members shall be called for the purpose of electing a Trustee to the unexpired term. No person may be nominated at the Special District Meeting who is not qualified to serve as required by this Article.

#### F. Compensation

Trustees as such shall not receive any salary for their services but by resolution of the Board of Trustees a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting of the Board of Trustees and for the performance of other Cooperative business providing it has prior approval of the Board of Trustees. No Trustees shall receive compensation for serving SECO Energy in any other capacity, nor shall any close relative of a Trustee receive compensation for serving SECO Energy unless

the payment of compensation shall be specifically authorized by a vote of the members or the service by such Trustee or close relative has been certified by the Board of Trustees as an emergency measure.

For purposes of this section of the Bylaws, the term “close relative” means a spouse, father, mother, son, daughter, brother, sister, grandparent, grandchild, son-in-law, daughter-in-law, mother-in-law, father-in-law, sister-in-law or brother-in-law, including through step and adoptive persons in these classifications.

#### G. Indemnification

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

## Article V – Meetings of Trustees

### A. Regular Meetings

A regular meeting of the Board of Trustees shall be held monthly at the office of SECO Energy in Sumterville, Florida or at such other place within SECO Energy’s service area as the Board may select. Such regular monthly Board meetings may be held with reasonable notice fixing the time, date and place thereof.

### B. Special Meetings

Special Meetings of the Board of Trustees may be called by the President, the CEO or by any four Trustees and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The President or the Trustees calling the meeting shall fix the time, date and place for the holding of the meeting.

### C. Notice of Board of Trustees’ Meeting

Written notice of the time, date, place and purpose of any Special Meeting of the Board of Trustees shall be delivered not less than five calendar days previous thereto either electronically, personally or by mail, by or at the direction of the Secretary or upon a default in duty by the Secretary, by the President, by the CEO or the Trustees calling the meeting, to each Trustee. If mailed such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Trustee at the address as it appears on the records of SECO Energy or when transmitted digitally to an electronic address which has been provided by the Trustee to SECO Energy.

### D. Quorum

A majority of the Board of Trustees shall constitute a quorum, provided that if less than such majority of the Trustees is present at said meeting a majority of the Trustees present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent Trustee of the time, date



and place of such adjourned meeting. The act of the majority of the Trustees present at the meeting at which a quorum is present shall be the act of the Board of Trustees.

## Article VI – Officers

### A. Number

The officers of SECO Energy shall be a President, Vice President, Secretary, Treasurer and such other officers as may be determined by the Board of Trustees from time to time. The offices of Secretary and Treasurer may be held by the same person.

### B. Election and Term of Office

The officers shall be elected by ballot, annually by and from the Board of Trustees at the next meeting of the Board of Trustees held following the Annual Meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board of Trustees following the next succeeding Annual Meeting of the members or until the successors shall have been elected and shall have qualified. A vacancy in any office shall be filled by the Board of Trustees for the unexpired portion of the term. Provided however, the General Manager, may upon approval of the Board at any meeting of the Board, hold the office of Chief Executive Officer.

### C. Removal of Officers

Any officer elected or appointed by the Board of Trustees may be removed by the Board of Trustees whenever in its judgment the best interest of SECO Energy will be served. In addition, any member of SECO Energy may bring charges against an officer by filing such charges in writing with the Secretary together with a petition signed by twenty (20) percent of the members and request the removal of the particular officer by reason thereof. The officer against whom the members have brought such charges shall be informed in writing of the charges at least ten calendar days prior to the meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against such officer shall have the same opportunity. The question of the removal of such officer shall be considered and voted upon at the next regular or Special Meeting of the members.

### D. President

The President:

1. Shall be the principal executive officer of SECO Energy and unless otherwise determined by the members of the Board of Trustees shall preside at all meetings of the members and the Board of Trustees;
2. May sign any deeds, mortgages, deed of trust, notes, bonds, contracts or other instruments authorized by the Board of Trustees to be executed except in cases in which the signing and

execution thereof shall be expressly delegated by the Board of Trustees or these Bylaws to some other officer or agent of SECO Energy or shall be required by law to be otherwise signed or executed; and

3. Shall in general perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Trustees from time to time.

#### E. Vice President

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

#### F. Secretary

The Secretary shall with the assistance of the appropriate personnel:

1. Keep the minutes of the meetings of the members and of the Board of Trustees in one or more books provided for the purpose;
2. See that all notices are duly given in accordance with these Bylaws or as required by law;
3. Be custodian of the corporate records and of the seal of SECO Energy and affix the seal of SECO Energy to all documents, the execution of which on behalf of SECO Energy under its seal is duly authorized in accordance with the provisions of these Bylaws;
4. See that a register is kept of the names and post office addresses of all members;
5. Have general charge of the SECO Energy membership records;
6. Keep on file at all times a complete copy of the Articles of Incorporation, Articles of Conversion and Bylaws of SECO Energy containing all amendments thereto which copy shall always be open to the inspection of any member and at the expense of SECO Energy supply a copy of the Bylaws and all amendments thereto to each member, and
7. 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 or her by the Board of Trustees.

#### G. Treasurer

The Treasurer shall with the assistance of the appropriate personnel:

1. Have charge and custody of and be responsible for all funds and securities of SECO Energy.
2. Be responsible for the receipt of and the issuance of receipts for moneys due and payable to SECO Energy from any source whatsoever, and for the deposit of all such moneys in the name of SECO Energy in such bank or banks as shall be selected in accordance with the provisions of these Bylaws; and

3. In general perform all the duties incident to the office of the Treasurer and such other duties as from time to time may be assigned by the Board of Trustees.

#### H. Chief Executive Officer (CEO)

The Board of Trustees hires a CEO who may be, but who shall not be required to be, a member of SECO Energy. The CEO shall perform such duties and shall exercise such authority as the Board of Trustees may from time to time vest in him or her.

#### I. Bonds of Officers

The Treasurer and any other officer or agent of SECO Energy charged with responsibility for the custody of any of its funds or property shall give bond in such sum and with such surety as the Board of Trustees shall determine. The Board of Trustees in its discretion may also require any other officer, agent or employee of SECO Energy to give bond in such amount and with such surety as it shall determine.

#### J. Compensation

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

#### K. Reports

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

### Article VII – Non-profit Operation

#### A. Apportionment of Excess Revenues

Florida law provides that revenues of SECO Energy “for any fiscal year in excess of the amount thereof necessary:

1. To defray expenses of SECO Energy and of the operation and maintenance of its facilities during such fiscal year;
2. To pay interest and principal obligations of SECO Energy coming due in such fiscal year;
3. To finance, or to provide a reserve for the financing of, the construction or acquisition by SECO Energy of additional facilities to the extent determined by the Board of Trustees;
4. To provide a reasonable reserve for working capital;
5. To provide a reserve for the payment of indebtedness of SECO Energy maturing more than one year after the date of the incurrence of such indebtedness in an amount not less than the total of

the interest and principal payments in respect thereof required to be made during the next following fiscal year; and

6. To provide a fund for education in cooperation and for the dissemination of information concerning the effective use of electric energy and other services made available by SECO Energy, shall, unless otherwise determined by a vote of the members, be distributed by SECO Energy to its members as patronage refunds in accordance with the patronage of SECO Energy by the respective members paid for during such fiscal year. Nothing herein contained shall be construed to prohibit the payment by SECO Energy of all or any part of its indebtedness prior to the date when the same shall become due.”

In accordance with this law the Board of Trustees in its discretion and business judgment may allocate the amount set forth in this section referred to as “excess revenues” if any should exist to the capital accounts of members rather than paying them in cash. The Board of Trustees may periodically choose to retire such excess revenues, as set forth in Article VII. Section C. below when such retirement will not, in the opinion of the Board of Trustees, impair its financial wellbeing.

#### B. Interest of Dividends on Capital Prohibited

SECO Energy shall at all times be operated on a Cooperative non-profit basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by SECO Energy on any capital furnished by its members.

#### C. Patronage Capital in Connection with Furnishing Electric Energy

In the furnishing of electric energy SECO Energy’s operations shall be so conducted that all members through their patronage furnish capital for SECO Energy. In order to induce patronage and to assure that SECO Energy will operate on a non-profit basis SECO Energy is obligated to account on a patronage basis to all its members 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 SECO Energy are received with the understanding that they are furnished by the members as capital. Such patronage capital amounts are not the same as “excess revenue.” SECO Energy will allocate credits to a capital account for each member equal to the member’s pro rata share of all such amounts in excess of operating costs and expenses.

The books and records of SECO Energy shall be set up and kept in such a manner that at the end of each fiscal year the amount of excess capital, if any, so furnished by each member is clearly reflected and credited in an appropriate record to the capital account of each member and the amount of excess capital so credited to his or her account. All such amounts credited to the capital account of any member shall have the same status as though they had been paid to the member in cash in pursuance of a legal obligation to do so and the member had then furnished SECO Energy corresponding amounts for capital.

All other amounts received by SECO Energy from its operations in excess of costs and expenses shall, insofar as permitted by law, be

1. Used to offset any losses incurred during the current or any prior fiscal year and

2. To the extent not needed for that purpose allocated to its members on a patronage basis. Any amount so allocated shall be included as a part of the capital credited to the accounts of members as herein provided.

In the event of dissolution or liquidation of SECO Energy after all outstanding indebtedness of SECO Energy shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis before any payments are made on accounts of property rights of members. If at any time prior to dissolution or liquidation the Board of Trustees shall determine that the financial condition of SECO Energy will not be impaired thereby, the capital then credited to members' accounts may be retired in full or in part.

If SECO Energy separately identified and allocated capital credits representing capital credits or similar accounts allocated to SECO Energy by an Entity in which SECO Energy is or was a member, patron or owner, then SECO Energy may retire and pay those associated capital credits when the Entity retires and pays the capital credits or similar accounts to SECO Energy. The Board of Trustees shall have the discretion in the exercise of its business judgment to determine the manner, method and timing of retiring capital credits.

Retirement of capital credits is the actual payment of patronage capital to SECO Energy members to whom it has previously been allocated. The Board of Trustees may utilize its business judgment to retire patronage capital as allocated on the books of SECO Energy so long as the retirement is consistent with sound business and management practices and the financial stability of SECO Energy will not be impaired thereby. If the Board of Trustees utilizes its business judgment to retire patronage capital to members either upon their death, termination of electric service or bankruptcy, then the retirement may be discounted in the exercise of the Board of Trustees' business judgment.

When the Board of Trustees has determined, pursuant to section (A) above, that the patronage capital should be retired the retirement may be accomplished by a bill credit or by the mailing of payment or notice of payment to the last known address of record on file with SECO Energy. No interest shall be paid or payable by SECO Energy on any patronage capital furnished by its members.

Capital credited to the account of each member shall be assignable only on the books of SECO Energy pursuant to written instructions from the assignor.

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

The Board of Trustees shall have the authority to charge against the capital credit account of any member or former member a monthly maintenance fee should the member or former member not claim their cash retirement of capital credit. The monthly maintenance fee will be used to cover the costs and expenses related to the administration of the capital credit program and unclaimed capital credits. Said authority may be exercised by the Board of Trustees at such time and in such manner as it deems appropriate.

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

The allocation shall become effective only upon the expiration of sixty (60) calendar days following the giving of notice by mail to the last known address and the publication in a newspaper of general circulation in SECO Energy's service area that unless said payment is claimed within said sixty-day period such assignment shall become effective.

Before retiring any capital credits to any member's account, SECO Energy shall deduct therefrom any amount owed by such member to SECO Energy, together with interest thereon at the legal rate accruing on judgments in effect when such amount became overdue, compounded annually.

The members of SECO Energy, by dealing with SECO Energy acknowledge that the terms and provisions of the Articles of Incorporation, Articles of Conversion and Bylaws shall constitute and be a contract between SECO Energy and each member and both SECO Energy and the members are bound by such contract as fully as though each member 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 member of SECO Energy by posting electronically.

To the extent a member disagrees with the decisions of the Board of Trustees with respect to the allocation or retirement of capital credits or excess revenues, the member may seek arbitration pursuant to Article XI. Section E. of these Bylaws but only after the member has first provided written notice to the Board of Trustees at least fifteen (15) days in advance of the next regularly scheduled monthly Board of Trustees' meeting and provided the Board of Trustees with a reasonable time to investigate and respond to the matter.

## Article VIII – Disposition of Property

SECO Energy may not sell, mortgage, lease or otherwise dispose of or encumber all or any substantial portion of its property unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a meeting of the members thereof by the affirmative vote of not less than two-thirds of all of the members of SECO Energy, and unless the notice of such proposed sale, mortgage, lease or other disposition or encumbrance shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything herein contained, or any other provisions of law, the Board of Trustees of SECO Energy, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises and permits of SECO Energy, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the Board of Trustees shall determine, to secure any indebtedness of SECO Energy to any bank, financial institution, corporation or person lending money or credit to such Cooperative.



## Article IX – Seal

The corporate seal of SECO Energy shall be in the form of a circle and shall have inscribed thereon the name Sumter Electric Cooperative Inc. and the words “Corporate Seal, State of Florida.”

## Article X – Financial Transaction

### A. Contracts

Except as otherwise provided in these Bylaws the Board of Trustees may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of SECO Energy, and such authority may be general or confined to specific instances.

### B. Checks, Drafts, Etc.

Except as otherwise provided by law or in these Bylaws all checks, drafts or other orders for the payment of money and all notes, bonds, or other evidence of indebtedness issued in the name of Sumter Electric Cooperative, Inc. shall be signed by such officer, officers, agent or agents of SECO Energy and in such manner as shall from time to time be determined by resolution of the Board of Trustees.

### C. Deposits

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

### D. Fiscal Year

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

## Article XI – Other

### A. Membership in Other Organizations

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

### B. Waiver of Notice

Any member or Trustee may waive in writing any notice of a meeting required to be given by these Bylaws. The attendance of a member or Trustee at any meeting shall constitute a waiver of notice of such meeting by such member or Trustee except in case a member or Trustee shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

#### C. Rules and Regulations

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

#### D. Accounting System and Reports

The Board of Trustees shall cause to be established and maintained a complete accounting system which, among other things, is subject to applicable laws and rules and regulations of any regulatory body and shall conform to such accounting system as may from time to time be designated by the Administrator of the Rural Utilities Service of the United States of America. The Board of Trustees shall also after the close of each fiscal year approve a full and complete audit of the accounts, books and financial condition of SECO Energy as the end of such fiscal year. Such audit reports shall be submitted to the members at the following Annual Meeting.

#### E. Dispute Resolution

If a controversy or claim arises out of or relates to the allocation of excess revenues or retirement of patronage capital and if requested by either SECO Energy or the member, then SECO Energy and the member shall resolve the controversy or claim by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and the judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Controversies and claims must be settled through individual arbitration and not through collective or class action arbitration.

### Article XII – Amendments

These Bylaws may be altered, amended or repealed by the members at any regular or Special Meeting provided the notice of such meeting shall have contained either an actual, digital or electronically linked copy of the proposed alteration, amendment or repeal.

[Proposed Revision March 21, 2024](#)