

*BYLAWS
OF THE
CLAY ELECTRIC
COOPERATIVE
FOUNDATION*

Adopted November 19th, 2015

TABLE OF CONTENTS

ARTICLE I
 NAME OF ORGANIZATION 1

ARTICLE II
 PURPOSE OF ORGANIZATION 1

ARTICLE III
 FUNDING 2

ARTICLE IV
 FOUNDATION BOARD OF DIRECTORS..... 2

ARTICLE V
 QUALIFICATIONS OF FOUNDATION BOARD MEMBERSHIP 3

ARTICLE VI
 SELECTION OF FOUNDATIONS BOARD OF DIRECTORS 3

ARTICLE VII
 COMPENSATION FOR FOUNDATIONS DIRECTORS 3

ARTICLE VIII
 MEETING OF THE BOARD OF DIRECTORS..... 3
 REGULAR MEETING 3
 SPECIAL MEETINGS 4

ARTICLE IX
 QUORUM 4

ARTICLE X
 REMOVAL OF MEMBER OF FOUNDATION BOARD 4

ARTICLE XI
 OFFICERS OF THE CORPORATION 5

ARTICLE XII
 ELECTION OF OFFICERS AND TERMS OF OFFICE..... 5

ARTICLE XIII
 EX OFFICIO MEMBERS OF FOUNDATIONS BOARD 5

ARTICLE XIV
 POLICIES, RULES AND REGULATIONS..... 5

ARTICLE XV

DUTIES OF OFFICERS 6
 PRESIDENT 6
 VICE PRESIDENT 6
 SECRETARY 6
 TREASURER 6

ARTICLE XVI

CHECK SIGNING 7

ARTICLE XVII

DISBURSEMENT OF FUNDS 7

ARTICLE XVIII

ACCUMULATION OF FUNDS 7

ARTICLE XIX

INVESTMENT OF FUNDS 8

ARTICLE XX

AMENDMENT OF BYLAWS 8

ARTICLE XXI

ACCOUNTING SYSTEM AND REPORTS 8

ARTICLE XXII

POLITICAL CONTRIBUTIONS 8

ARTICLE XXIII

BORROWING FUNDS 8

ARTICLE XXIV

EMERGENCY EXPENDITURE 9

ARTICLE XXV

AMOUNT OF EXPENDITURES 9

ARTICLE XXVI

EXPENDITURES EXCEEDING FIFTEEN THOUSAND DOLLARS 9

ARTICLE XXVII

RETENTION OF FUNDS 10

ARTICLE XXVIII
 PROXY VOTING 10

ARTICLE XXIX
 AUDIT 10

ARTICLE XXX
 FISCAL YEAR 10

Introduction

The Clay Electric Cooperative Foundation was established OCTOBER 2016, as an innovative community service fund raising program by the Board of Trustees of Clay Electric Cooperative, Inc. which allows participating members/consumers of the electric cooperative to round-up their electric bills to the next highest dollar with the additional cents being donated to the Clay Electric Cooperative Foundation. The donations are deposited into the Foundation and are administered by an independent Board made of members of the community who are initially appointed by the Board of Trustees of Clay Electric Cooperative, Inc. The Clay Electric Cooperative Foundation is a community-minded program based on the cooperative spirit.

As used in these bylaws, the masculine pronoun "he", "him" or "his" shall be taken to refer to the person intended regardless of gender when the facts require it.

**BYLAWS
of the
CLAY ELECTRIC COOPERATIVE FOUNDATION**

**ARTICLE I
NAME OF ORGANIZATION**

The name of the corporation shall be the Clay Electric Cooperative Foundation herein below referred to as "FOUNDATION." The Clay Electric Cooperative Foundation Board of Directors herein below referred to as "FOUNDATION BOARD".

**ARTICLE II
PURPOSE OF ORGANIZATION**

The purpose of the FOUNDATION, a corporation not for profit, organized under Chapter 617 Florida Statutes, shall be the accumulation and disbursement of funds for charitable, educational or other worthy purposes in the 14 county service area of Clay Electric Cooperative Inc. ("CEC"). The primary beneficiaries of the FOUNDATION are intended to be charitable, community, and worthy causes, within the communities served by CEC. Upon dissolution of the FOUNDATION any remaining funds shall be distributed only for charitable purposes.

BYLAWS - CEC Foundation

ARTICLE III
FUNDING

The FOUNDATION shall be funded in accordance with such rules and regulations as may be promulgated by the Board of Trustees of CEC. Sources of funding are limited to member contributions through Operation Roundup®.

ARTICLE IV
BOARD OF DIRECTORS

The FOUNDATION shall be administered by a nine person Board of Directors ("FOUNDATION BOARD"). The FOUNDATION BOARD shall be composed of nine persons residing in the Clay Electric Service area which shall be divided into nine districts. There shall be ONE FOUNDATION BOARD MEMBER appointed from each Clay Electric Cooperative Trustee district. FOUNDATION BOARD MEMBERS will be appointed by the CEC Board of Trustees.

FOUNDATION BOARD MEMBERS will be initially appointed by the CEC Board of Trustees. The districts are designed to represent a similar number of members, geographical areas and logical boundaries.

At the initial organizational meeting of the FOUNDATION Board, each member of the FOUNDATION Board shall by lot draw for terms of office of one (1), two (2) and three (3) years. There shall be three (3) Directors chosen to initially serve one (1) year terms; three (3) Directors chosen to initially serve two (2) year terms; and three (3) Directors chosen to initially serve three (3) year terms. Thereafter, the terms of office for each FOUNDATION BOARD MEMBER shall be for a period of 3 years.

ARTICLE V
QUALIFICATIONS OF BOARD MEMBERSHIP

A member of the FOUNDATION Board shall be at least eighteen years of age, a permanent resident of the district from which he is chosen to represent and of good moral character. It shall be necessary for members of the FOUNDATION Board to be members of CEC. No person seeking or holding a seat on the Board of Trustees of CEC shall remain a member of the FOUNDATION Board. After a FOUNDATION BOARD member's service ends to the FOUNDATION HE/SHE is not eligible to run for the CLAY ELECTRIC BOARD OF TRUSTEES for three (3) years. Immediate family members of the CLAY ELECTRIC Board of Trustees and FOUNDATION BOARD are not allowed to serve on the Foundation Board. For the purpose of these qualifications, immediate family includes mother, father, grandmother, grandfather, husband, wife, son, daughter, sister, brother, half sibling, aunt uncle, niece, nephew, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, grandchild and step relations.

ARTICLE VI
SELECTION OF BOARD OF DIRECTORS

The initial FOUNDATION Board shall be appointed by the Board of Trustees of CEC. Thereafter, when vacancies are to be filled or when terms expire, persons shall be appointed to the respective vacancies on the said Board by a vote of the Board of Trustees of CEC. The existing FOUNDATION Board may make recommendations to the Board of Trustees of CEC for nominees for the FOUNDATION Board.

ARTICLE VII
COMPENSATION FOR DIRECTORS

No FOUNDATION director shall receive compensation for serving on the Board of Directors of the FOUNDATION. Such FOUNDATION Directors may, however, be reimbursed for mileage and out of pocket expenses incurred while on the business of the FOUNDATION when such business is sanctioned by the Board of Directors of said FOUNDATION.

ARTICLE VIII
MEETING OF THE BOARD OF DIRECTORS

- A. **REGULAR MEETING**: The Board of Directors of the FOUNDATION shall meet not less than quarterly at a place designated by the FOUNDATION Board. The Board of Directors of the FOUNDATION may meet at such other times as they may deem at their discretion to be necessary.

BYLAWS - CEC Foundation

- B. SPECIAL MEETINGS: Special meetings of the FOUNDATION may be called by the President, Cooperative GM/Chief Executive Officer or by any three FOUNDATION Directors and it shall thereupon be the duty of the Secretary to cause a notice of such meeting to be given as hereafter provided. The President, Cooperative General Manager or Directors calling such meeting shall fix the time and place.
- C. NOTICE OF DIRECTORS MEETING: Written notice of the time and place of regular and special meetings of the FOUNDATION Board shall be delivered to members of the FOUNDATION Board not less than five days prior thereto, either personally, by mail, electronically or at the direction of the Secretary, and upon default in that duty by the Secretary, then by the President, Cooperative GM/Chief Executive Officer or the Directors calling for such meeting.
- D. PARTICIPATING IN MEETING THROUGH ANY MEANS OF COMMUNICATIONS: FOUNDATION board members may participate in meetings of the FOUNDATION, through the use of any means of communications by which all FOUNDATIONS BOARD members participating may simultaneously hear each other during the meeting and participation by such means shall constitute presence in person at such a meeting.

ARTICLE IX
QUORUM

A majority of the FOUNDATION Board shall, unless otherwise designated in these Articles, constitute a quorum. In the event that less than a majority of the FOUNDATION Board is present at any meeting, the majority of those FOUNDATION board members present may adjourn the meeting and designate a place and time for the next meeting, under which circumstances the Secretary shall notify the absent FOUNDATION board members of the place and time of the next meeting. An act of the majority of the FOUNDATION Board present at any meeting at which a quorum is present, and unless otherwise provided in these Bylaws, shall be the act of the FOUNDATION Board of Directors.

ARTICLE X
REMOVAL OF MEMBER OF BOARD OF DIRECTORS OF THE
FOUNDATIONS

Any member of the FOUNDATION Board shall automatically cease to be a member of said FOUNDATION Board if and in the event such member misses three successive "regular" meetings as outlined in Section "A" of Article VIII of these Bylaws. Any member of the FOUNDATION Board may otherwise be recommended for removal for cause by the FOUNDATION Board on a two thirds vote of the entire FOUNDATION Board. The FOUNDATIONS Board's recommendation for removal shall be considered and determined by a majority vote of CEC board of Trustees.

ARTICLE XI
OFFICERS OF THE CORPORATION

The officers of the FOUNDATION shall be a President, a Vice-President, a Secretary and a Treasurer, and such other officers as may be determined by the FOUNDATION Board from time to time. For the purposes of these Bylaws, the above four officers shall constitute the Executive Committee of the FOUNDATION.

ARTICLE XII
ELECTION OF OFFICERS AND TERMS OF OFFICE

The officers shall be elected annually by secret ballot by the Board of Directors of the FOUNDATION at a meeting of the Board of Directors held on an annual basis after the initial organizational meeting.

The term of office for an officer shall be for one year, however, nothing shall prevent an officer from being re-elected to consecutive terms of office.

ARTICLE XIII
EX OFFICIO MEMBERS OF BOARD OF DIRECTORS OF THE FOUNDATION

The GM/Chief Executive Officer of CEC or his/her designee shall be an ex officio member of the FOUNDATION Board. The FOUNDATION Board may from time to time have other such ex officio members as the Board may in its discretion determine as necessary or prudent.

The Director of Member and Public Relations shall be an ex officio member of the Foundation board to provide assistance to the FOUNDATION BOARD and to the Secretary and Treasurer of the FOUNDATION Board with their official duties herein after shown in Article XV.

ARTICLE XIV
POLICIES, RULES AND REGULATIONS

The FOUNDATION Board shall have the power to make and adopt such rules and regulations as it may deem advisable for the management, administration and regulation of the business and affairs of the FOUNDATION so long as they are consistent with law, the Articles of Incorporation, and these Bylaws.

ARTICLE XV
DUTIES OF OFFICERS

- A. PRESIDENT: The President shall be the principal executive officer of the FOUNDATION and, unless otherwise determined by the FOUNDATION Board, shall preside at all meetings of the Board and in general perform all duties incidental to the office of President and such other duties as may be prescribed by the FOUNDATION Board from time to time.

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

- C. SECRETARY: The Secretary shall be responsible for the keeping of the minutes of the meetings of the FOUNDATION Board of Directors; be responsible for seeing that all notices are duly given in accordance with these Bylaws or as required by law; be custodian of the corporate records and of the seal of the FOUNDATION and affix the seal of the FOUNDATION to all necessary documents, the execution of which on behalf of the FOUNDATION under its seal is duly authorized in accordance with the provision of these Bylaws; have general charge of the books of the FOUNDATION; be responsible for the keeping on file at all times a complete copy of the Articles of Incorporation and Bylaws of the FOUNDATION containing all amendments thereto; and, in general, perform all duties incidental to the office of the Secretary and such other duties as from time to time may be assigned to him by the FOUNDATION Board.

- D. TREASURER: The Treasurer shall have charge and custody of and be responsible for all funds and securities of the FOUNDATION; be responsible for the receipt of and the issuance of receipts for monies due and payable to the FOUNDATION from any source whatsoever, and for the deposit of all such monies in the name of the FOUNDATION in such bank or banks as shall be selected in accordance with the provisions of these Bylaws; and in general perform all the duties incidental to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors of the FOUNDATION.

BYLAWS - CEC FOUNDATION

ARTICLE XVI
CHECK SIGNING

Any and all checks issued by the FOUNDATION, for any purpose, shall be signed by two officers or one officer and such other person(s) as may be designated by the FOUNDATION Board as having check signing authority.

ARTICLE XVII
DISBURSEMENT OF FUNDS

Except as otherwise provided by these Bylaws, the FOUNDATION Board shall have the full and sole responsibility for the disbursement of all monies of the FOUNDATION in accordance with these Bylaws and the policies as adopted by the FOUNDATION Board.

Prior to the consideration by the FOUNDATION Board of any disbursement, member(s) of the FOUNDATION Board shall disclose and explain any personal and/or business interest connection, kinship, or other association he has with the group, corporation or other entity under consideration for funding by the FOUNDATION.

Such member shall, if requested by the President or any three members of the Board of Directors of the FOUNDATION, excuse himself from the meeting and not participate in the discussion of or voting on the disbursement.

If no request is made that the interested director excuse himself from the meeting, then and in that event, said director may participate in the discussion of the disbursement but shall not vote on the disbursement.

ARTICLE XVIII
ACCUMULATION OF FUNDS

CEC shall transfer funds collected from the rounding up of member's bills to the nearest dollar (Operation Roundup®) for the benefit of the FOUNDATION on a regular basis, but in no event less than quarterly. The FOUNDATION will only accept contributions from Cooperative members.

BYLAWS - CEC FOUNDATION

ARTICLE XIX
INVESTMENT OF FUNDS

The FOUNDATION Board shall be responsible for the funds entrusted to it and shall make such investment of said funds in a manner which is reasonable and prudent and in keeping with these Bylaws and the policies of the FOUNDATION.

ARTICLE XX
AMENDMENT OF BYLAWS

These Bylaws may be altered, amended, or repealed by the Board of Trustees of CEC at any regular meeting of said CEC Board after at least thirty (30) days' notice to the Foundation Board and CEC members. The FOUNDATION Board may make advisory recommendations to the Board of Trustees of CEC.

ARTICLE XXI
ACCOUNTING SYSTEM AND REPORTS

The FOUNDATION Board shall cause to be established and maintained a complete accounting system such that is in keeping with sound financial management and furthermore, the FOUNDATION Board shall make reports to the Board of Trustees of CEC on the operation and expenditures of the FOUNDATION as may be necessary and prudent, but in no case less than annually.

ARTICLE XXII
POLITICAL CONTRIBUTIONS

No funds of the FOUNDATION shall in any fashion be used to support any candidate for political office or for any political purpose.

ARTICLE XXIII
BORROWING FUNDS

The FOUNDATION shall NOT have the authority to borrow monies from any bank, savings and loan or other institutions for any purpose.

ARTICLE XXIV
EMERGENCY EXPENDITURE

The Executive Committee of the FOUNDATION by a vote of at least three of its members may from time to time make expenditures on an emergency basis, in accordance with these Bylaws; and policies adopted by the FOUNDATION Board; and in accordance with the purpose of this FOUNDATION, in an amount not exceeding THREE THOUSAND AND NO/ 100THS (\$3,000.00) DOLLARS, to any group or organization. Emergency expenditures will not exceed NINE THOUSAND AND NO/100THS (\$9,000.00) Dollars for the foundation fiscal year.

Such emergency expenditure shall be fully disclosed by the Executive Committee at the next regularly called meeting of the FOUNDATION Board.

ARTICLE XXV
AMOUNT OF EXPENDITURES

UNLESS otherwise provided by these Bylaws and in keeping with the purpose of this FOUNDATION the FOUNDATION Board may make annual expenditures of FOUNDATION funds by majority vote of members present at a meeting and constituting a quorum according to the following rules;

Not more than TWENTY THOUSAND AND NO/100THS (\$20,000.00) DOLLARS, annually to any group, organization, charity or like organization.

ARTICLE XXVI
EXPENDITURES EXCEEDING TWENTY THOUSAND
AND NO/100THS \$20,000.00) DOLLARS

Notwithstanding any other provision of these Bylaws the FOUNDATION Board may, by a two thirds vote of the entire Board of Directors (six members) make expenditures in any amount to any; group, organization, charity or like organization which such members determine is in keeping with the purpose and spirit of the FOUNDATION and these Bylaws.

BYLAWS - CEC FOUNDATION

ARTICLE XXVII
RETENTION OF FUNDS

To assure that the FOUNDATION maintains a reasonable level of funds for its operation, the FOUNDATION shall accumulate and maintain a reserve fund of not less than FIVE THOUSAND AND NO/100THS (\$5,000.00).

ARTICLE XXVIII
PROXY VOTING

There shall be no proxy voting at any meeting of the FOUNDATION Board.

ARTICLE XXIX
AUDIT

The FOUNDATION Board shall on an annual basis have the books and records of the FOUNDATION to be audited by a certified public accountant and a report in keeping with sound accounting principles be issued to the FOUNDATION Board and the Board of Trustees of CEC.

ARTICLE XXX
FISCAL YEAR

The Fiscal Year of the FOUNDATION shall commence on the 1st day of January of each calendar year and end on the 31st day of December of each calendar year.

ADOPTED: NOVEMBER 19TH, 2015

Amended: AUGUST 25, 2022