

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

2010

Open to Public
InspectionDepartment of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2010 calendar year, or tax year beginning , 2010, and ending**B** Check if applicable

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

RAYLE ELECTRIC MEMBERSHIP CORPORATION
 P.O. BOX 1090
 WASHINGTON, GA 30673

D Employer Identification Number

58-0398354

E Telephone number

(706) 678-2116

G Gross receipts \$ 34,830,222.

F Name and address of principal officer **TONY GRIFFIN**
Same As C Above

H(a) Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included? ☐ Yes ☐ No

If 'No,' attach a list (see instructions)

I Tax-exempt status ☐ 501(c)(3) ☒ 501(c) (12) (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ N/A**H(c)** Group exemption number ▶

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of Formation 1939**M** State of legal domicile GA**Part I Summary**

1 Briefly describe the organization's mission or most significant activities TO PROVIDE THE BEST POSSIBLE ELECTRIC SERVICE TO ALL WHO DESIRE IT WITHIN THE SYSTEM AREA AT A REASONABLE COST CONSISTENT WITH THE HIGHEST STANDARDS OF SERVICE.

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	9
4	8
5	64
6	0
7a	0.
7b	0.

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)		
9 Program service revenue (Part VIII, line 2g)	33,833,471.	34,796,319.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	35,690.	33,903.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
12 Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	33,869,161.	34,830,222.
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14 Benefits paid to or for members (Part IX, column (A), line 4)		
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	240,335.	261,027.
16a Professional fundraising fees (Part IX, column (A), line 11e)		
b Total fundraising expenses (Part IX, column (D), line 25)		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	31,827,294.	32,931,071.
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	32,067,629.	33,192,098.
19 Revenue less expenses Subtract line 18 from line 12	1,801,532.	1,638,124.
20 Total assets (Part X, line 16)	Beginning of Current Year 68,944,320.	End of Year 69,879,386.
21 Total liabilities (Part X, line 26)	50,352,306.	50,375,843.
22 Net assets or fund balances Subtract line 21 from line 20	18,592,014.	19,503,543.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign
Here

Signature of officer

Date 10-20-11

Type or print name and title
 J. M. Sherrer President

Paid
Preparer
Use Only

Print/Type preparer's name

J RANDOLPH NICHOLS

Preparer's signature

Date

OCT 18 2011

Check ☐ if
 self-employed

PTIN

P00347246

Firm's name

McNair, McLemore, Middlebrooks

Firm's address

Post Office Box One
 MACON, GA 31202-0001

Firm's EIN ▶ 58-1094351

Phone no (478) 746-6277

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

BAA For Paperwork Reduction Act Notice, see the separate instructions.

TEEA0113L 12/21/10

Form 990 (2010)

12

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission:

TO PROVIDE THE BEST POSSIBLE ELECTRIC SERVICE TO ALL WHO DESIRE IT WITHIN THE SYSTEM
AREA AT A REASONABLE COST CONSISTENT WITH THE HIGHEST STANDARDS OF SERVICE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If 'Yes,' describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If 'Yes,' describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code) (Expenses \$ 33,192,098. including grants of \$) (Revenue \$ 34,796,319.)

TO PROVIDE THE BEST POSSIBLE ELECTRIC SERVICE TO ALL WHO DESIRE IT WITHIN THE SYSTEM
AREA AT A REASONABLE COST CONSISTENT WITH THE HIGHEST STANDARDS OF SERVICE.

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe in Schedule O)(Expenses \$ including grants of \$) (Revenue \$)**4e** Total program service expenses ▶ 33,192,098.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If 'Yes,' complete Schedule A</i>	1	X
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If 'Yes,' complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If 'Yes,' complete Schedule C, Part II</i>	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If 'Yes,' complete Schedule C, Part III</i>	5	
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If 'Yes,' complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If 'Yes,' complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If 'Yes,' complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If 'Yes,' complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If 'Yes,' complete Schedule D, Part V</i>	10	X
11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? <i>If 'Yes,' complete Schedule D, Part VI</i>	11a X	
b Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VII</i>	11b	X
c Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VIII</i>	11c X	
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If 'Yes,' complete Schedule D, Part X</i>	11e X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If 'Yes,' complete Schedule D, Part X</i>	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If 'Yes,' complete Schedule D, Parts XI, XII, and XIII</i>	12a	X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If 'Yes,' complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If 'Yes,' complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If 'Yes,' complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If 'Yes,' complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If 'Yes,' complete Schedule G, Part I (see instructions)</i>	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If 'Yes,' complete Schedule G, Part II</i>	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If 'Yes,' complete Schedule G, Part III</i>	19	X
20 a Did the organization operate one or more hospitals? <i>If 'Yes,' complete Schedule H</i>	20	X
b If 'Yes' to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II</i>	21	X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III</i>	22	X
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J</i>	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>	25a	
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I</i>	25b	
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If 'Yes,' complete Schedule L, Part II</i>	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If 'Yes,' complete Schedule L, Part III</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>	28a	X
b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35	X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>	36	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI</i>	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	X

BAA

Form 990 (2010)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1 a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1 a 21		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1 b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1 c	X	
2 a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2 a 64		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2 b	X	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).			
3 a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3 a		X
b If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O.	3 b		
4 a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4 a		X
b If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5 a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5 a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5 b		X
c If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?	5 c		
6 a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6 a		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6 b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7 a		
b If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	7 b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7 c		
d If 'Yes,' indicate the number of Forms 8282 filed during the year.	7 d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7 e		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7 f		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7 g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7 h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9 a		
b Did the organization make a distribution to a donor, donor advisor, or related person?	9 b		
10 Section 501(c)(7) organizations. Enter			
a Initiation fees and capital contributions included on Part VIII, line 12.	10 a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10 b		
11 Section 501(c)(12) organizations. Enter			
a Gross income from members or shareholders.	11 a 34,631,888.		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11 b 169,088.		
12 a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12 a		
b If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year.	12 b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13 a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13 b		
c Enter the amount of reserves on hand.	13 c		
14 a Did the organization receive any payments for indoor tanning services during the tax year?	14 a		X
b If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O.	14 b		

Part VI Governance, Management and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

☒**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	9	
1b Enter the number of voting members included in line 1a, above, who are independent	8	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6 Does the organization have members or stockholders? See Schedule O	X	
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? See Schedule O	X	
7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? See Sch O	X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		X
b If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990 See Schedule O		
12a Does the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done See Schedule O	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official See Schedule O	X	
b Other officers of key employees of the organization See Schedule O	X	
If 'Yes' to line 15a or 15b, describe the process in Schedule O (See instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ GA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Schedule O

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization.

▶ RAYLE EMC P.O. BOX 1090 WASHINGTON GA 30673 (706) 678-2116

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) MAURICE MATHEWS Director	3	X						7,200.	0.	0.
(2) WILLIAM R. DINGLER, SR. Sec-Treas	4	X		X				22,204.	0.	0.
(3) JACKSON COPELAN Director	3	X						16,468.	0.	0.
(4) HORACE W. WILLIAMS Director	3	X						22,003.	0.	0.
(5) HERBERT L. POWELL Director	3	X						8,994.	0.	0.
(6) LINTON SCOTT Director	3	X						6,800.	0.	0.
(7) FRED MCWHORTER Vice President	4	X		X				9,674.	0.	0.
(8) J.M. SHERRER President	5	X		X				22,340.	0.	0.
(9) JAMES A. MATHEWS Director	3	X						7,047.	0.	0.
(10) TONY GRIFFIN General Manager	40			X				93,293.	0.	41,612.
(11)										
(12)										
(13)										
(14)										
(15)										
(16)										
(17)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) -----										
(19) -----										
(20) -----										
(21) -----										
(22) -----										
(23) -----										
(24) -----										
(25) -----										
(26) -----										
(27) -----										
(28) -----										
(29) -----										
1 b Sub-total								216,023.	0.	41,612.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								216,023.	0.	41,612.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ▶ 0

3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If 'Yes,' complete Schedule J for such individual

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If 'Yes' complete Schedule J for such individual

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If 'Yes,' complete Schedule J for such person

	Yes	No
3		X
4		X
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶ 0

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1 a Federated campaigns	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c				
	d Related organizations	1 d				
	e Government grants (contributions)	1 e				
	f All other contributions, gifts, grants, and similar amounts not included above	1 f				
	g Noncash contributions included in lns 1a-1f \$					
h Total. Add lines 1a-1f						
PROGRAM SERVICE REVENUE	Business Code					
	2 a ELECTRIC REVENUE	221000	34,626,247.	34,626,247.		
	b RENT FROM ELECTRIC PROP	221000	82,689.	82,689.		
	c PATRONAGE CAP-ASSOC ORG	221000	82,597.	82,597.		
	d OTHER ELECTRIC REVENUE	221000	4,786.	4,786.		
	e					
	f All other program service revenue					
g Total. Add lines 2a-2f			34,796,319.			
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		33,903.			33,903.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross Rents					
	b Less rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory					
	b Less cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss)					
	8 a Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18					
	b Less direct expenses					
	c Net income or (loss) from fundraising events					
	9 a Gross income from gaming activities See Part IV, line 19					
	b Less direct expenses					
	c Net income or (loss) from gaming activities					
10 a Gross sales of inventory, less returns and allowances						
b Less cost of goods sold						
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code				
11 a						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See instructions			34,830,222.	34,796,319.	0.	33,903.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	257,635.	257,635.	0.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	3,392.	3,392.		
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	175,901.	175,901.		
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	2,143,358.	2,143,358.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,504,797.	2,504,797.		
23 Insurance				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a Purchased Power	22,192,896.	22,192,896.		
b Distribution Maintenance	2,765,042.	2,765,042.		
c Consumer Accounts	1,296,623.	1,296,623.		
d Distribution Operations	1,196,473.	1,196,473.		
e Customer Svc & Info Exp	268,908.	268,908.		
f All other expenses	387,073.	387,073.		
25 Total functional expenses. Add lines 1 through 24f	33,192,098.	33,192,098.	0.	0.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash — non-interest-bearing	1,199,117.	1	367,103.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,730,425.	4	2,168,359.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	1,370,420.	8	1,432,356.
	9 Prepaid expenses and deferred charges	45,478.	9	68,527.
	10a Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D.	10a 84,352,849.		
	b Less: accumulated depreciation	10b 26,846,124.	56,575,226.	10c 57,506,725.
	11 Investments — publicly traded securities		11	
	12 Investments — other securities. See Part IV, line 11.		12	
	13 Investments — program-related. See Part IV, line 11.	8,015,435.	13	8,328,285.
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11.	8,219.	15	8,031.
16 Total assets. Add lines 1 through 15 (must equal line 34).	68,944,320.	16	69,879,386.	
LIABILITIES	17 Accounts payable and accrued expenses	3,775,751.	17	3,916,588.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D.		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.		22	
	23 Secured mortgages and notes payable to unrelated third parties	43,113,143.	23	42,352,440.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D.	3,463,412.	25	4,106,815.
	26 Total liabilities. Add lines 17 through 25.	50,352,306.	26	50,375,843.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	72,068.	30	71,613.
	31 Paid-in or capital surplus, or land, building, or equipment fund	18,519,946.	31	19,431,930.
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances.	18,592,014.	33	19,503,543.
34 Total liabilities and net assets/fund balances.	68,944,320.	34	69,879,386.	

BAA

Form 990 (2010)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	34,830,222.
2	Total expenses (must equal Part IX, column (A), line 25)	2	33,192,098.
3	Revenue less expenses Subtract line 2 from line 1	3	1,638,124.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	18,592,014.
5	Other changes in net assets or fund balances (explain in Schedule O) See Schedule O	5	-726,595.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	19,503,543.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

☐

- 1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____
- If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- 2b Were the organization's financial statements audited by an independent accountant?
- c If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
- If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both
- ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

BAA

Form 990 (2010)

**SCHEDULE D
(Form 990)**Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**

- ▶ Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010**Open to Public
Inspection**

Name of the organization

Employer identification number

RAYLE ELECTRIC MEMBERSHIP CORPORATION

58-0398354

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

1a Beginning of year balance

b Contributions

c Net investment earnings, gains, and losses

d Grants or scholarships

e Other expenditures for facilities and programs

f Administrative expenses

g End of year balance

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a					
b					
c					
d					
e					
f					
g					

2 Provide the estimated percentage of the year end balance held as

a Board designated or quasi-endowment ▶ _____ %

b Permanent endowment ▶ _____ %

c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

(ii) related organizations

b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		583,243.		583,243.
b Buildings				
c Leasehold improvements				
d Equipment		83,769,606.	26,846,124.	56,923,482.
e Other				

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) ▶ 57,506,725.

BAA

Schedule D (Form 990) 2010

Part VII Investments—Other Securities. See Form 990, Part X, line 12. N/A

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990 Part X, column (B) line 12) ▶		

Part VIII Investments—Program Related. (See Form 990, Part X, line 13)

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) See Part XIV		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13) ▶	8,328,285.	

Part IX Other Assets. (See Form 990, Part X, line 15) N/A

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15) ▶	

Part X Other Liabilities. (See Form 990, Part X, line 25)

(a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) Consumer Deposits	554,315.
(3) Deferred Credits	252,571.
(4) Postretirement Benefits FAS106	3,299,929.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25) ▶	4,106,815.

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

N/A

- 1 Total revenue (Form 990, Part VIII, column (A), line 12)
- 2 Total expenses (Form 990, Part IX, column (A), line 25)
- 3 Excess or (deficit) for the year Subtract line 2 from line 1
- 4 Net unrealized gains (losses) on investments
- 5 Donated services and use of facilities
- 6 Investment expenses
- 7 Prior period adjustments
- 8 Other (Describe in Part XIV)
- 9 Total adjustments (net) Add lines 4 through 8
- 10 Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

N/A

- 1 Total revenue, gains, and other support per audited financial statements
- 2 Amounts included on line 1 but not on Form 990, Part VIII, line 12
 - a Net unrealized gains on investments
 - b Donated services and use of facilities
 - c Recoveries of prior year grants
 - d Other (Describe in Part XIV)
 - e Add lines 2a through 2d
- 3 Subtract line 2e from line 1
- 4 Amounts included on Form 990, Part VIII, line 12, but not on line 1
 - a Investments expenses not included on Form 990, Part VIII, line 7b
 - b Other (Describe in Part XIV)
 - c Add lines 4a and 4b
- 5 Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

N/A

- 1 Total expenses and losses per audited financial statements
- 2 Amounts included on line 1 but not on Form 990, Part IX, line 25
 - a Donated services and use of facilities
 - b Prior year adjustments
 - c Other losses
 - d Other (Describe in Part XIV)
 - e Add lines 2a through 2d
- 3 Subtract line 2e from line 1
- 4 Amounts included on Form 990, Part IX, line 25, but not on line 1:
 - a Investments expenses not included on Form 990, Part VIII, line 7b
 - b Other (Describe in Part XIV)
 - c Add lines 4a and 4b
- 5 Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part XIV	Supplemental Information <i>(continued)</i>
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2010

Schedule D, Part XIV - Supplemental Information

Page 6

Client 668676

RAYLE ELECTRIC MEMBERSHIP CORPORATION

58-0398354

10/14/11

02 34PM

Schedule D, Part VIII
Investments - Program Related

Description	Book Value	Method of Valuation
INVESTMENT IN ASSOC ORG	558,952.	Cost
PATRONAGE CAP CFC	166,044.	Cost
PATRONAGE CAP GRESCO	447,869.	Cost
PATRONAGE CAP OPC	5,159,724.	Cost
PATRONAGE CAP GTC	1,059,675.	Cost
PATRONAGE CAP SEDC	103,026.	Cost
PATRONAGE CAP FEDERATED	81,319.	Cost
PATRONAGE CAP GEMC	31,487.	Cost
PATRONAGE CAP GREEN POWER	1,256.	Cost
PATRONAGE CAP GSOC	1,698.	Cost
INVESTMENT IN CTC'S	465,277.	Cost
INVESTMENT IN ASSOC ORGS MEMB FEE	1,225.	Cost
PATRONAGE CAP SMARR EMC	250,733.	Cost
Total	<u>\$ 8,328,285.</u>	

SCHEDULE L
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Transactions With Interested Persons**

► **Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
► **Attach to Form 990 or Form 990-EZ. ► See separate instructions.**

OMB No 1545-0047

2010**Open to Public
Inspection**

Name of the organization

RAYLE ELECTRIC MEMBERSHIP CORPORATION

Employer identification number

58-0398354

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ► \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ► \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
Total				► \$						

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2010

Part IV **Business Transactions Involving Interested Persons.**
Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

Business Transactions Involving Interested Persons. Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

This image shows a full page of a handwriting practice worksheet. It consists of multiple sets of three horizontal dashed lines, evenly spaced across the entire page. These lines are designed to help children learn letter formation and alignment by providing a guide for the height and placement of their writing. The background is plain white, and there are no other markings or text present.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2010

**Open to Public
Inspection**

Name of the organization

RAYLE ELECTRIC MEMBERSHIP CORPORATION

Employer identification number

58-0398354

Form 990, Part VI, Line 6 - Explanation of Classes of Members or Shareholder

THE COOPERATIVE HAS MEMBERS AS PROVIDED FOR IN ITS BYLAWS WHICH ARE INCLUDED AS A
PART OF THIS RETURN.

Form 990, Part VI, Line 7a - How Members or Shareholders Elect Governing Body

THE COOPERATIVE HAS MEMBERS WHO ELECT MEMBERS OF THE GOVERNING BODY AS PROVIDED FOR
IN ITS BYLAWS WHICH ARE INCLUDED AS A PART OF THIS RETURN.

Form 990, Part VI, Line 7b - Decisions of Governing Body Approval by Members or Shareholders

CERTAIN DECISIONS OF THE GOVERNING BODY ARE SUBJECT TO APPROVAL BY MEMBERS AS
PROVIDED FOR IN ITS BYLAWS WHICH ARE INCLUDED AS A PART OF THIS RETURN.

Form 990, Part VI, Line 11b - Form 990 Review Process

FORM 990 IS REVIEWED BY THE BOARD AS PROVIDED FOR IN THE COOPERATIVE'S POLICY WHICH
IS INCLUDED AS A PART OF THIS RETURN.

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

THE COOPERATIVE REGULARLY AND CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH
THEIR CONFLICT OF INTEREST POLICY AS PROVIDED FOR IN ITS POLICY WHICH IS INCLUDED AS
A PART OF THIS RETURN.

Form 990, Part VI, Line 15a - Compensation Review & Approval Process for CEO, Exec. Dir., or Top Mgtment

GENERAL MANAGER COMPENSATION IS REVIEWED AND APPROVED AS PROVIDED FOR IN THE
COOPERATIVE'S POLICY WHICH IS INCLUDED AS A PART OF THIS RETURN.

Form 990, Part VI, Line 15b - Compensation Review & Approval Process for Officers & Key Employees

KEY EMPLOYEE COMPENSATION IS REVIEWED AND APPROVED AS PROVIDED FOR IN THE
COOPERATIVE'S POLICY WHICH IS INCLUDED AS A PART OF THIS RETURN.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

THE COOPERATIVE MAKES ITS BYLAWS, CONFLICT OF INTEREST POLICY, AND FINANCIAL
STATEMENTS AVAILABLE TO THE PUBLIC AS PART OF ITS FORM 990. THE FORM 990 IS
AVAILABLE UPON REQUEST AS REFLECTED IN PART VI SECTION C LINE 18.

2010

Schedule O - Supplemental Information

Page 2

Client 668676

RAYLE ELECTRIC MEMBERSHIP CORPORATION

58-0398354

10/14/11

02 34PM

Form 990, Part XI, Line 5
Other Changes in Net Assets or Fund Balances

MEMBERSHIP FEES	\$	-455.
OTHER COMPREHENSIVE INCOME		-303,313.
PATRONAGE CAPITAL CREDITS RETIREMENT		-431,863.
RETIRED CAPITAL CREDIT GAINS		9,036.
Total	\$	<u>-726,595.</u>

Client 668676

RAYLE ELECTRIC MEMBERSHIP CORPORATION

58-0398354

10/14/11

02 34PM

RAYLE ELECTRIC MEMBERSHIP CORPORATION (RAYLE) IS A MEMBER OF A NUMBER OF ORGANIZATIONS WHERE A RAYLE OFFICER OR DIRECTOR MAY SERVE AS RAYLE'S REPRESENTATIVE ON THE BOARD OF DIRECTORS. THESE INDIVIDUALS SERVE AT THE PLEASURE OF RAYLE AND CAN SERVE ONLY AS LONG AS THEY REPRESENT RAYLE. THE FOLLOWING INDIVIDUALS SERVED IN SUCH POSITIONS:

TONY GRIFFIN - DIRECTOR OF GEORGIA ENERGY COOPERATIVE (GEC)

LINTON SCOTT - DIRECTOR OF GEORGIA ELECTRIC MEMBERSHIP CORPORATION (GEMC)

FRED MCWHORTER - DIRECTOR OF GEC

GEC IS A NOT-FOR-PROFIT CORPORATION ORGANIZED TO PROVIDE:

- PLANNING SERVICES BY DETERMINING THE INDIVIDUAL AND AGGREGATE POWER SUPPLY REQUIREMENTS OF ITS MEMBERS
- PROCUREMENT SERVICES BY IDENTIFYING POTENTIAL LONG-TERM SOURCES OF POWER, DEVELOPING A TECHNICAL AND ECONOMIC ASSESSMENT OF SUCH SOURCES, AND NEGOTIATING APPROPRIATE CONTRACTS WITH THIRD PARTIES TO PROCURE THE POWER SUPPLY NECESSARY TO SATISFY ITS MEMBERS' DETERMINED NEED FOR FUTURE RESOURCES RESULTING FROM PLANNING SERVICES
- ADMINISTRATIVE SERVICES BY COORDINATING MEMBER ACTIVITIES AND REPRESENTING THE INTERESTS OF THE MEMBERS IN RELATION TO POWER SUPPLY, OPERATION AND TRANSMISSION CONTRACTS TO WHICH THE MEMBER IS A PARTY

RAYLE PAID \$99,180 FOR THE ABOVE SERVICES PROVIDED BY GEC DURING 2010.

GEMC IS A NOT-FOR-PROFIT CORPORATION ORGANIZED TO:

- FOSTER, DEVELOP AND ENCOURAGE THE PROGRAM OF RURAL ELECTRIFICATION IN THE STATE OF GEORGIA
- FURTHER THE GENERAL WELFARE AND TO PROMOTE THE INTEREST OF THE MEMBERS OF GEMC; TO FURTHER THE SAFETY, STABILITY, SECURITY AND PROSPERITY OF ELECTRIC COOPERATIVES; TO AID IN SOLVING THE PROBLEMS COMMON TO ELECTRIC COOPERATIVES
- DISSEMINATE INFORMATION RELATING TO THE RURAL ELECTRIFICATION PROGRAM; TO COOPERATE WITH FEDERAL, STATE AND MUNICIPAL AGENCIES IN THE PROMOTION OF RURAL ELECTRIFICATION AND NATIONAL, STATE, COMMUNITY AND RURAL DEVELOPMENT; TO PROVIDE SERVICES AND INFORMATIONAL PROGRAMS THAT WILL STIMULATE LOCAL GROWTH, STABILITY AND SECURITY AND STRENGTHEN THE ELECTRIC COOPERATIVE PROGRAM IN GEORGIA
- OTHERWISE ASSIST THE MEMBERS OF GEMC TO PROVIDE ELECTRIC ENERGY TO INHABITANTS OF MEMBER SERVICE AREAS AT THE LOWEST POSSIBLE COST CONSISTENT WITH SOUND ECONOMY

RAYLE PAID \$197,155 FOR THE ABOVE SERVICES PROVIDED BY GEMC DURING 2010.

RAYLE DIRECTOR J.M. SHERRER SERVES AS A DIRECTOR AT FARMERS AND MERCHANTS BANK (F&MB) WHERE RAYLE HAS A BANKING RELATIONSHIP. RAYLE WAS PAID INTEREST INCOME BY F&MB. INTEREST WAS LESS THAN 1% OF REVENUE FOR EACH TRANSACTION AND DID NOT EXCEED \$250,000. IT SHOULD BE NOTED THAT THE MAXIMUM AMOUNT ON DEPOSIT DURING THE YEAR WAS IN EXCESS OF FDIC COVERAGE. RAYLE EARNED \$3,820 NET OF BANK CHARGES FROM F&MB WITH A MAXIMUM AMOUNT ON DEPOSIT OF \$2,049,023 DURING 2010. RAYLE DIRECTOR J.M. SHERRER DOES NOT PARTICIPATE IN ANY DECISIONS MADE BY THE BOARD OF DIRECTORS THAT RELATE TO FINANCIAL INSTITUTIONS.

Bylaws



Rayle Electric Membership Corporation

Washington, Georgia

RAYLE ELECTRIC MEMBERSHIP CORPORATION

Bylaws

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RAYLE ELECTRIC MEMBERSHIP CORPORATION

Bylaws

ARTICLE I

MEMBERS

1.01 Eligibility for Membership. Any person, as that term is defined by the Georgia Electric Membership Corporation Act, (except that a natural person must be 18 years of age, married or otherwise emancipated) who may lawfully receive electrical service from an electric membership corporation is eligible to become a member of Rayle Electric Membership Corporation, which is referred to in these Bylaws as "Cooperative."

1.02 Preconditions to Membership. No member may hold more than one membership in the Cooperative. No person shall become a member unless the following conditions have been met.

(a) The person has made a written application for membership in the Cooperative, in the form prescribed by the Cooperative.

(b) The person has agreed to take electric service from the Cooperative at one or more premises.

(c) The person has agreed to comply with and be bound by the Articles of Incorporation, Bylaws and Service Rules and Regulations of the Cooperative, and any other reasonable rules and regulations from time to time adopted by the Board of Directors of the Cooperative.

(d) The person has paid, or made satisfactory arrangement for the payment of, all past due indebtednesses owed by the person to the Cooperative, and has paid such service security deposit, membership fee, contribution in aid of construction, or any other as may be required by the Cooperative's Service Rules and Regulations prescribed from time to time by the Board of Directors.

(e) The person has satisfied all other conditions established for membership by the Board of Directors.

(f) The Board has passed a resolution accepting the person into membership of the Cooperative.

Should the Cooperative ascertain that it is providing electric service to a person who has not complied with, and upon written request refuses or fails to comply with, any one or more of these preconditions, the Cooperative may terminate electric service to the premises of such person.

Upon discovery that the Cooperative has been furnishing electric service to any person other than a member, it shall cease furnishing such service unless such person applies for membership in the Cooperative, satisfies the foregoing conditions of membership and the Board of Directors approves membership retroactively to the date on which such person first began

receiving such service, in which event the Cooperative, the extent practicable, shall correct its membership records and all related records accordingly.

1.03 Joint Membership. Husband and wife may apply for a joint membership or may convert an existing membership held by either to a joint membership, and subject to their compliance with the requirements for membership set forth in Section 1.02 of this Article, may be accepted for membership. The term "Member" as used in these Bylaws shall be deemed to include a husband and wife holding a joint membership, and any provision 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 following principles shall apply in respect to joint members:

(a) The presence at a meeting of either or both shall be regarded as the presence of one (1) member and shall constitute a joint waiver of notice of the meeting.

(b) The vote of either, separately or both jointly, shall constitute one (1) joint vote.

(c) A waiver of notice signed by either or both shall constitute a joint waiver.

(d) A consent signed by either or both shall constitute a consent for both.

(e) Notice to either shall constitute notice to both.

(f) Expulsion, suspension, or withdrawal of either shall terminate the joint membership.

(g) Either, but not both concurrently, may be a candidate for or elected or appointed as an officer or member of the Board of Directors, provided that both meet the qualifications of the office.

Upon the death of either spouse holding a joint membership, such membership shall be held solely by the survivor; however, the estate of the deceased shall not be released from any debts due the Cooperative.

1.04 Transfer of Membership. A membership may be transferred but only to one who directly occupies or uses the premises being furnished electric service by the Cooperative and upon the successor member meeting the requirements of membership set forth in Section 1.02 above.

1.05 Obligations of Members and Applicants for Membership. Each member and applicant for membership shall be obligated to:

(a) Purchase from the Cooperative, as soon as electric energy shall be available, all central station electric energy purchased for use on premises to which electric service is provided by the Cooperative at the request of the member or the member's agent, unless temporarily prevented from doing so by causes reasonably beyond the control of the applicant or member, and shall pay therefore at rates which shall from time to time be fixed by the Board.

full of all debts, liabilities and obligations of the Cooperative and in compliance with such other terms and conditions as the Board of Directors may prescribe.

1.08 Termination of Membership. A member will be deemed to have withdrawn and terminated his membership in the Cooperative following the occurrence of any one of the following:

(a) A voluntary withdrawal from membership by a member upon payment in full of all debts, liabilities and obligations of the member to the Cooperative and compliance with such other terms and conditions as the Board of Directors may prescribe.

(b) The death or cessation of existence of member.

(c) A member who shall fail to reinstate a membership suspended in accordance with Paragraph 1.06 above shall automatically be deemed to have withdrawn and terminated his membership.

1.09 Expulsion. A member may be expelled from membership pursuant to such reasonable terms and condition as may from time to time be adopted by the Board of Directors.

1.10 Effect of Withdrawal, Termination and Expulsion. Upon the withdrawal, termination or expulsion of a member, the membership of such person shall terminate. Termination of a membership shall not release any member of the member's estate from any debts due the Cooperative.

ARTICLE II

MEETINGS OF MEMBERS

2.01 Annual Meeting. The annual meeting of the members shall be held in the month of June of each year. The annual meeting shall be held at such time within the month of June, at such place within a county in which electrical service is provided by the Cooperative, as shall be determined by the Board of Directors and designated in the notice of the meeting. The annual meeting shall be for the purpose of electing directors, passing upon reports covering the meeting. Nothing herein shall be construed, however, to authorize the consideration of any matter which, under these Bylaws, the Articles of Incorporation of the Cooperative, the Georgia Electric Membership Corporation Act or any other provision of law, are required to be, but have not been stated in the notice of the annual meeting.

2.02 Special Meeting. Special meetings, or a special meeting in lieu of the annual meeting of members, may be called by the President, the Board of Directors or upon the written request of not less than ten percent (10%) of the members of the Cooperative, in which event it shall be the duty of the Secretary to cause notice of such meeting to be given to the members. A special meeting of the members may be held at such place within a county in which electrical service is provided by the Cooperative, as determined by the Board of Directors and specified in the notice of the special meeting.

2.03 Notice of Members' Meetings. Written notice stating the place, day

(b) Comply with and be bound by the Articles of Incorporation, Bylaws and Service Rules and Regulations of the Cooperative and any other reasonable rules and regulations from time to time adopted by the Board of Directors of the Cooperative.

(c) Upon request by the Cooperative, to execute and deliver to the Cooperative grants of easement or rights-of-way over, on and under lands owned by the member in accordance with such reasonable terms and conditions as the Cooperative may require for the furnishing of electric service to the member or other members or for the construction, operation, maintenance or relocation of the Cooperative's facilities, lines and equipment for future members and applicants for membership.

(d) Pay all sums justly due the Cooperative under the rates, tariffs and Service Rules and Regulations promulgated from time to time by the Cooperative. When the member has more than one service connection from the Cooperative, any payment for service to him by the Cooperative shall be deemed, pro forma, to be allocated and credited on a pro rata basis to his outstanding accounts for all such service connections, notwithstanding that the Cooperative's actual accounting procedures do not reflect such proration.

(e) Cause all premises to which electric service is provided by the Cooperative to become and remain wired in accordance with the specifications of the National Electric Safety Code, the Fire Insurance Underwriter's Association, any government or governmental agency having authority to prescribe such specificity and the Cooperative. In this connection, each member shall be responsible for and shall indemnify the Cooperative or any other person against injury, loss or damage resulting from any defect in or improper use or maintenance of the member's premises, wiring or apparatuses utilizing electrical energy on the premises.

IN NO EVENT, HOWEVER, SHALL THE RESPONSIBILITY OF THE COOPERATIVE EXTEND BEYOND THE POINT WHICH ITS SERVICE WIRES ARE ATTACHED TO THE MEMBER'S SERVICE ENTRANCE OR WIRING ON THE MEMBER'S PREMISES.

(f) Provide devices to protect electrical motors and equipment in event of overcurrent, low voltage, single phasing, etc.

1.06 Suspension of Membership and Reinstatement of Membership. Upon the failure of a member to pay for electrical service provided to the member by the Cooperative within the time required, or upon the member's failure to comply with the member's obligations set forth in these Bylaws or the Service Rules and Regulations of the Cooperative, which results in the Cooperative's termination of electrical service to the member's premises, the membership rights of the member shall be suspended for a period of sixty (60) days from the date that the electric service was terminated. If the member, within this sixty (60) day period, shall pay all sums required by the Cooperative's Bylaws and Service Rules and Regulations for reinstatement of service and shall satisfactorily rectify any other non-compliance with the Service Rules and Regulations of the Cooperative and the Cooperative reinstitutes electric service to the premises of the member, the membership rights of the member shall be automatically reinstated.

1.07 Withdrawal. Any member may withdraw from membership upon payment in

and hour of the annual meeting of the members and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be provided not less than five (5) days (10 if notice is provided by a means other than first class mail) nor more than ninety (90) days before the date of the meeting, by any reasonable means, by or at the direction of the Secretary or the officer or persons calling the meeting, to each member of record then entitled to vote at such meeting. Reasonable means of providing such notice shall include, but not be limited to, United States mail, personal delivery, electronic membership corporation's newsletter or member's monthly service bill. Notice of any meeting of the members need not be given to any member who signs a waiver of notice either before or after the meeting. Attendance of a member at a meeting shall of itself constitute a waiver of notice and waiver of any and all objections to the place of the meeting, the time of the meeting or the manner in which it has been called or convened, except when a member attends a meeting solely for the purpose of stating at the beginning of the meeting any such objection or objections to the transaction of business.

2.04 Quorum. Attendance in person of at least 100 members of the Cooperative or persons who represent members in accordance with Section 2.05 below shall constitute a quorum for any meeting of members. A majority of those present may adjourn the meeting from time to time whether or not a quorum is present. When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken; and at the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting.

2.05 Voting. Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. At all meetings of the members from which the member is absent, the spouse of such absent member, or in the absence of the member and the member's spouse, a person who is eighteen (18) years of age or older and who established to the satisfaction of the Credentials and Election Committee that such person is a member of the household of such absent member, shall be entitled to vote in place of the member. In those instances where membership is held in the Cooperative by a corporation, club, school, church or unincorporated association, only a designated member, employee or shareholder of said organization shall be authorized to cast a vote on behalf of the corporation, club, school, church or unincorporated association. A member may be designated by only one corporation, club, school, church or unincorporated association. No member may cast the vote of more than one corporation, club, school, church or unincorporated association. At all meetings of the members at which a quorum is present, the affirmative vote of a majority of the members represented at the meeting shall be the act of the membership unless the vote of a greater number is required by the Bylaws, the Articles of Incorporation or by law; provided, however, when a quorum is once present to organize a meeting, the members present may continue to do business at the meeting or at any adjournment thereof, notwithstanding the withdrawal of enough members to leave less than a quorum. Under no circumstances may a member cast another member's ballot if that other member has personally registered his attendance at said meeting. Under no circumstances may a member vote the ballot of a proxy or letter of authorization which has been registered at the meeting by another member.

2.06 Proxies. At all meetings of members, a member may, by proxy executed in writing by the member. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be voted at any meeting of the members unless it shall designate the particular meeting at which it shall be voted, and no proxy shall be voted at any meeting other than the one so designated or any adjournment of such meeting. Only a member may vote as proxy for another member. No member shall vote as proxy for more than one (1) member at any meeting of the members, and no proxy shall be valid after sixty (60) days from the date of its execution. The registration of a member at a meeting of the members shall revoke a proxy theretofore executed by him, and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if he had not executed a proxy. In case of a joint membership a proxy may be executed by either husband or wife. The registration of either husband or wife at a meeting of the members shall revoke a proxy theretofore executed by either of them and such joint member or members shall be entitled to vote at such meeting in the same manner and with the same effect as if a proxy had not been executed.

2.07 Credentials and Election Committee. The Board of Directors shall, at least ten (10) days before any meeting of the members, appoint a Credentials and Election Committee, consisting of an uneven number of members of the Cooperative, not less than five (5) nor more than fifteen (15), who are not employees of the Cooperative or close relatives or members of the same household of existing directors or known candidates for directors to be elected at such meeting. In appointing the Committee, the Board shall have regard for equitable representation of the several areas served by the Cooperative. It shall be the responsibility of the Committee to pass upon all questions that may arise with respect to the validity of nominating petitions, registration of members in person or by proxy, to count all ballots cast at any election, or any other ballot vote taken, and to rule upon the effect of any ballots irregularly marked, as well as to perform such other duties concerning the conduct of the meeting as may be assigned by the Board of Directors. The Committee's decision on all such matters shall be final. The Committee is authorized to act on all matters specified above so long as more than fifty percent (50%) of those appointed are registered at the meeting and are actively performing duties assigned by the Chairman of the Committee.

2.08 Robert's Rules of Order. Parliamentary procedure at any meeting of the members shall be governed by the most recent edition of Robert's Rules of Order; except to the extent such procedure is otherwise controlled by law or the Articles of Incorporation or these Bylaws. Any failure to conduct the meeting in compliance therewith, however, shall not render invalid any action taken at the meeting unless objection citing such failure is made at the time such action is taken.

ARTICLE III DIRECTORS

3.01 General Powers of Board of Directors. The business and affairs of the Cooperative shall be managed by a board of nine (9) directors which shall exercise all the powers of the Cooperative except such as are by law

or by the Articles of Incorporation of the Cooperative or by these Bylaws conferred upon or reserved to the members.

3.02 Classes of Directors - Election and Tenure in Office. The nine (9) members of the Board of Directors are divided into three (3) classes. At each annual meeting of the members a class of directors shall be elected by the members to serve for a period of three (3) years and until the third succeeding annual meeting of the members after each director was elected, or, notwithstanding the foregoing, until their successor shall have been elected and qualified. Election of the directors shall be by secret ballot unless there is only one member nominated for a directorship coming vacant and the membership votes at the meeting to waive election by secret ballot for that directorship.

3.03 Qualifications of Directors. No person shall be eligible to become or remain a board member of the Cooperative:

- (a) Who is not eighteen (18) years of age or older
- (b) Who is not a member of the Cooperative.
- (c) Who is not a bona fide resident of the area served by the Cooperative.
- (d) Who is in any way employed by or financially interested in an enterprise competing with the Cooperative in the judgement of the directors, excluding the director in question.
- (e) Who has been an employee of the Cooperative within three (3) years of the date of the annual meeting in which the directorship is to be voted upon.
- (f) Who bears a relationship by blood or marriage to one or more of the employees or other directors of the Cooperative as follows: husband, wife, parent, child, brother, sister, grandchild, grandparent, uncle, aunt, nephew, or niece.

Upon the establishment of the fact that a board member is holding the office in violation of any one of the foregoing provisions, the Board shall remove such member from office.

3.04 Nominations by Nominating Committee. It shall be the duty of the Board to appoint, not less than 95 days before the date of each annual meeting or other meeting at which directors are to be elected, a Nominating Committee whose members shall be selected by the Board so as to give equitable representation to the geographical areas served by the Cooperative. No Board member shall be appointed to the Nominating Committee. It shall be the duty of the Nominating Committee to meet at least 45 days prior to such meetings and to nominate one or more candidates for the directorships that are to be filled at such meetings. Written notice of the names of the members of the Committee and the meeting date for the Committee shall be provided to the members prior to the Committee's meeting.

3.05 Nominations by Petition. Other nominations for such elections may be made by written petition signed by not less than 15 members which shall be submitted to the Secretary of the Cooperative or his nominee not less than 15 days prior to such meeting

3.06 Notice of Nominees. The Secretary shall be responsible for posting at the headquarters of the Cooperative the nominees for the election made by the Nominating Committee and by petition, and if received 45 days prior to such meeting, shall include same in the notice to the members for the meeting at which the election is to be held.

3.07 Restriction on Other Nominations. Except in the event that any candidate nominated as provided in this Article is deceased or withdraws in writing from candidacy prior to the election, no other nomination shall be in order or effective. In the event that a nominated candidate dies or withdraws in writing less than fifteen (15) days prior to the meeting of members at which the election is scheduled to be held, and there are no other candidates who have been previously nominated by the Nominating Committee for the open seat for which the deceased or withdrawn candidate was nominated, then the Nominating Committee shall reconvene as soon as practicable prior to said members meeting. The Nominating Committee shall then nominate one or more candidates for each open seat or seats on the Board for which there is no candidate previously nominated by the Nominating Committee. If a candidate nominated by the Nominating Committee dies or withdraws in writing more than fifteen (15) days prior to said meeting of members, the Nominating Committee shall reconvene within five (5) days of said death or withdrawal and shall nominate one or more candidates for each open seat or seats on the Board for which there is no candidate previously nominated by the Nominating Committee. Nothing in this bylaw shall be deemed to restrict or infringe on the right of the Board of Directors to fill an open seat on the Board pursuant to Georgia law or these Bylaws.

3.08 Election. Directors shall be elected by a majority vote of those members, or those authorized to vote for them pursuant to Section 2.05 of these Bylaws, at the meeting in which the election is to be held. Should no candidate receive a majority vote, then successive ballot(s) shall be taken between the two highest candidates until one of the candidates receives a majority of the vote.

3.09 Vacancies. Vacancies occurring on the Board of Directors shall be filled by a majority vote of the remaining directors and directors thus elected shall serve until the expiration of the term of the director causing such vacancy.

3.10 Failure of Compliance. Failure to comply with any of the provisions of this Article as to the Election of directors, except bad faith or intentional failure to comply, shall not affect the validity of the election of any directors. In no event shall it invalidate the actions of all or any of the directors taken thereafter.

3.11 Compensation. Directors as such shall not receive any salary for their services, but by resolution of the Board of Directors, a fixed sum paid on a per diem basis and expenses associated therewith may be allowed for attendance at each meeting of the Board of Directors and such other meeting at which attendance and compensation is specifically authorized by a special or continuing resolution of the Board of Directors.

3.12 Emeritus Director. The position of Emeritus Director is hereby established in recognition of long and meritorious service rendered by directors to the Cooperative while serving as a member of the Board of

Directors. A director shall become eligible for the position of Emeritus Director upon:

- (a) Having attained his 70th birthday.
- (b) Having served nine (9) consecutive years on the Board of Directors.
- (c) Having filed his written request to become an emeritus director.
- (d) Being, at the time of his election, a member of the Cooperative.

An emeritus director shall, upon request of the Board of Directors, attend meetings of the Board of Directors but shall have no vote on any matter pending before the Board of Directors. The emeritus director shall not receive any compensation by virtue of his position or services as an emeritus director nor shall he receive reimbursement for expenses incurred in his duties as emeritus director except in instances in which the emeritus director is given specific assignments by the Board of Directors and in such cases, the emeritus director shall receive per diem and mileage in an amount to be determined by the Board. Notwithstanding the foregoing, however, the Cooperative shall provide medical and hospital insurance to the same extent as such coverage is from time to time provided to employees and directors of the Cooperative.

3.13 Policies, Rules and Regulations. The Board of Directors shall have power to make and adopt such policies, rules and regulations not inconsistent with the law or the Articles of Incorporation or Bylaws of the Cooperative as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative

3.14 Removal. A director may be removed from office with or without cause at any meeting of the membership with respect to which notice of such action has been given, pursuant to the requirements and procedures established by the Georgia Electric Membership Act.

3.15 Compensation of Directors; Expenses. Directors as such shall not receive any salary for their services, but said directors shall receive such compensation, which may include insurance benefits, as may be determined by resolution of the Board of Directors. For the performance of their duties, Directors shall receive advancement or reimbursement of any travel and out-of-pocket expenses actually and reasonably incurred by them in the performance of their duties, in accordance with the Cooperative's established policies. By resolution of the Board of Directors a fixed sum and expenses-of-attendance, if any, may be allowed for attendance at each meeting of the Board of Directors; provided, however, that Directors be paid per diem and reasonable actual expenses incurred.

No Director shall receive compensation from the Cooperative for serving the Cooperative in any other capacity, nor shall any close relative of a Director receive compensation for serving the Cooperative, unless the payment and amount of such compensation shall be specifically authorized by the remaining Directors upon their certification of such an emergency measure.

"CLOSE RELATIVE" DEFINED

As used in these Bylaws, "close relative" means a person who is either, a spouse, child, grandchild, parent, grandparent, brother, sister, uncle, aunt, nephew, or niece, by blood or in-law, of the principal.

3.16 Directorate Districts. The following Directorate Districts are created:

<u>District No.</u>	<u>Description</u>	<u>Number of Directors</u>
One	Wilkes County	2
Two	Lincoln County	2
Three	Greene & Morgan Counties	2
Four	Taliaferro & Hancock Counties	1
Five	Oglethorpe, Oconee, Clarke & Madison Counties	2

To be a candidate from one of the above districts the candidate must reside in said district.

ARTICLE IV

MEETINGS OF DIRECTORS

4.01 Regular Meetings of Directors. A meeting of the Board of Directors shall be held without notice immediately after the annual meeting of the members. A regular meeting of the Board of Directors shall also be held monthly or more often at such time and place as the Board of Directors may provide by resolution, provided that a copy of said resolution is delivered to any board member who is absent from the meeting at which such resolution is adopted. Such regular meetings may be held without notice.

4.02 Special Meetings. Special Meetings of the Board of Directors may be called by the President or any three (3) directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place for the holding of any special meeting of the Board of Directors called by them, which shall, unless authorized by a majority of the entire Board of Directors, be in Wilkes County, Georgia.

4.03 Notice. Notice of the time, place and purpose of any special meeting of the Board of Directors shall be given by or at the direction of the President, the Secretary or the persons calling the meeting. The notice shall be given to each director at least five (5) days prior to the meeting by written notice delivered personally or mailed to each director at his last known address. If mailed, such notice shall be deemed delivered when deposited in the United States mail so addressed with first-class postage thereon, prepaid. Notice of a meeting of the Board of Directors need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except when a director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened, which objection shall be voiced at the commencement of the meeting.

4.04 Quorum for Meeting of Directors. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. A majority of the directors present may adjourn the meeting to another time and place without further notice whether or not a quorum is present.

4.05 Action of Board of Directors. The vote of a majority of directors present and voting at the time of the vote, if a quorum is present at such time, shall be the act of the Board of Directors unless the vote of a greater number is required by law, the Articles of Incorporation or these Bylaws.

The members of the Board of Directors, or any committee designated by such Board, may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting in this manner shall constitute presence in person at such meeting.

4.06 Written Consent. Any action required to be taken at a meeting of the Board of Directors or any action that may be taken at a meeting of the Board of Directors may be taken without a meeting if a written consent setting forth the action so taken is so signed by all the directors and filed with the minutes of the proceedings of the Board of Directors.

ARTICLE V

OFFICERS

5.01 Number. The officers of the Cooperative shall be a President, Vice-President, Secretary and Treasurer. The offices of the Secretary and of Treasurer may be held by the same person.

5.02 Election and Term of Office. The officers shall be elected, by ballot, annually by and from the Board of Directors at the first meeting of the Board of Directors held after each 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 duly elected and shall have qualified, subject to the provisions of these Bylaws with respect to the removal of officers.

5.03 Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgement, the best interests of the Cooperative will be served thereby.

5.04 Vacancies. Except as otherwise provided in these Bylaws, a vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

5.05 President. The President may preside at meetings of the Board of Directors and members, and shall have general supervision, direction and control of the business and affairs of the Cooperative and shall have the general powers and duties of management usually vested in the office of

President of the Cooperative and shall further have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws; provided, that certain duties and authorities normally exercised by the chief executive officer of the Cooperative may, upon resolution of the Board of Directors, be delegated through job descriptions or other written policies or procedures to the General Manager or other employee, officer or agent of the Cooperative.

5.06 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 and shall perform such other duties as from time to time may be assigned to him by the Board of Directors.

5.07 Secretary. The Secretary shall be responsible for:

(a) Keeping the minutes of meetings of the members and the Board of Directors in one or more books provided for that purpose;

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

(c) Safe keeping of the seal of the Cooperative and affixing the seal to all documents, the execution of which on behalf of the Cooperative under its seal, is duly authorized in accordance with the provisions of these Bylaws;

(d) Keeping a register of the post office address of all members;

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

(f) Keeping on file at all times a complete copy of the Bylaws of the Cooperative containing all amendments thereto, which copy shall always be open to the inspection of any member and furnishing a copy of the Bylaws and all amendments thereto a member upon such member's request.

(g) In general, performing 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.

5.08 Treasurer. The Treasurer shall be responsible for:

(a) Custody of all funds and securities of the Cooperative;

(b) The receipt and issuance of receipts for monies due and payable to the Cooperative from any source whatsoever and for deposit of all such monies in the name of the Cooperative in such depositories or investments as shall be selected in accordance with the provisions of these Bylaws;

(c) In general, performance of 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.

5.09 General Manager. The Board of Directors may appoint a manager who may be, but shall not be required to be, a member of the Cooperative. The

manager shall perform such duties as the Board of Directors may from time to time require of him and shall have such authority as the Board of Directors may from time to time vest in him.

ARTICLE VI

NON-PROFIT OPERATION

6.01 Non-Profit Operation. The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons

6.02 Patronage Capital in Connection with Furnishing Electric Energy - Receipt. In the furnishing of electric energy the Cooperative's operation shall be so conducted that all patrons will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electric energy. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons as capital. No interest or dividend shall be paid or be payable by the Cooperative on any capital furnished by its patrons.

6.03 Patronage Capital - Accounts. The Cooperative is obligated to pay by credits to a capital account for each patron or patron's estate all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron. The Cooperative, shall within a reasonable time after the close of the fiscal year, notify each patron by notification to all patrons of the aggregate amount of such excess with an explanation of how each patron may compute and determine for himself the specific amount of capital so credited to him. Notwithstanding any other provision of these Bylaws to the contrary, the Board of Directors, at its discretion, may allocate capital credits for an individual member or class of members based upon rates, costs-of-service for that member or that class

6.04 Patronage Capital-Status as Such. All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts of capital

6.05 Other Patronage Capital - Allocation. All other amounts received by the Cooperative from its operation in excess of costs and expenses shall, insofar as permitted by law, be

(a) Used to offset any losses incurred during the current or any prior fiscal year; and

(b) To the extent not needed for that purpose, allocated to its patronage on a patronage basis and any amount so allocated shall be included as a part of the capital credited to the accounts of the patrons as herein provided.

6.06 Patronage Capital From Other Organizations. Notwithstanding any other provision of these Bylaws, the Board shall have the power to adopt rules providing for the separate accounting for and procedure for the retirement of such other amounts of capital credited to the accounts of patrons, which correspond to capital credited to the account of the Cooperative by other organizations in which the Cooperative is a member. Such rules shall among other things:

(a) Establish a method for determining portions of such capital credited to each of the Cooperative's patrons for each applicable fiscal year.

(b) Provide for the separate identification thereof for each patron on the Cooperative books.

(c) Provide for appropriate notification thereof to patrons.

(d) Preclude a general or special retirement thereof prior to actual receipt of such capital by the Cooperative.

6.07 Patronage Capital - Dissolution. In the event of dissolution or liquidation of the Cooperative, after:

(a) All debts and liabilities of the Cooperative shall have been paid; and

(b) All capital furnished through patronage shall have been retired as provided in these Bylaws.

(c) The remaining property and assets of the Cooperative shall be distributed among members and former members on a patronage basis.

6.08 Patronage Capital - Distribution Prior to Dissolution. If at any time prior to dissolution or liquidation the Board of Directors shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to patrons' accounts may be retired in full or in part. However, no patronage capital account will be refunded for less than \$1 (one dollar).

6.09 Patronage Capital - Assignment. Capital credited to the account of each patron shall be assignable only on the books of the Cooperative 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 Cooperative unless the Board of Directors acting under policies of general application shall determine otherwise.

6.10 Patronage Capital - Right of Setoff. If a member or a patron should terminate his or her membership in the Cooperative, either voluntarily, or if said membership is terminated by action of the Board of Directors or by the members at a membership meeting, and at the time of such termination the member or patron is indebted to the Cooperative for non-payment of any debt or obligation, which may include electric service, penalties, and/or other fees and services rendered as provided for in the policies of the

Cooperative, the Cooperative may, at the time of the retirement of said capital credit, charge the same to the capital credit account of the member or patron and debit the member's or patron's capital credit account in the amount and credit the same to the members or patron's delinquent and unpaid account.

6.11 Patronage Capital Contract with Member. The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract between the Cooperative and each patron, and both the Cooperative and the patrons are bound by such contract as fully as though each patron had individually signed a separate instrument containing such terms and provisions.

6.12 Charges Applicable to Unclaimed Property Accounts. Individual patronage capital accounts to which the Cooperative shall allocate assets which the Cooperative has determined to be payable to a patron or other entity, but which the intended recipient has not claimed within eighteen (18) months of the date the Cooperative first determined that payment should be made shall be assessed a one-time account maintenance fee. This account maintenance fee shall be sixty (\$60.00) dollars, unless the balance of the unclaimed property account is less than sixty (\$60 00) dollars, in which case the account maintenance fee shall be equal to the balance of that individual patronage capital account. Said individual patronage capital accounts as hereinbefore described shall be known as "Unclaimed Property Accounts". In no event shall the Cooperative assess an account maintenance fee in excess of the balance in an Unclaimed Property Account. If the account maintenance fee reduces an Unclaimed Property Account balance to zero, that Unclaimed Property Account shall be closed.

ARTICLE VII

OPERATIONS AND MISCELLANEOUS

7.01 Bonds of Officers and Employees. The Board of Directors may require the Treasurer and any other officer of the Cooperative charged with the responsibility for the custody of any of its property to be bonded in such sum and with such surety as the Board of Directors shall determine. The Board of Directors may, in its discretion, require any other officers, agent or employee of the Cooperative to be bonded in such amount and with such surety as the Board shall determine. All premiums and expenses associated with the acquisition and maintenance of the bonds for such officers, agents or employees shall be paid by the Cooperative.

7.02 Reports. The Cooperative shall, within four (4) months of the close of the fiscal year, prepare reports covering the business of the Cooperative for the previous fiscal year and showing the condition of the Cooperative at the close of such fiscal year. Such report shall be provided to any member requesting it.

7.03 Fiscal Year. The fiscal year of the Cooperative shall commence on the first day of October and end on the last day of September each year.

7.04 Authority for Execution of Instruments. The Board of Directors,

except as otherwise provided by these Bylaws or by law, may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Cooperative, and such authority may be general or confined to specific instances; and unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Cooperative by any contract or engagement, or to pledge its credit or to render it liable for any sum of money, or for any purpose.

7.05 Checks, Drafts, Etc. All checks, drafts or other order for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Cooperative shall be signed by such officer or officers, agent or agents, or employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolutions of the Board of Directors.

7.06 Bank Accounts and Deposits. All funds of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such banks, bankers trust companies or other depositories as the Board of Directors may select or as may be selected by any officer or officers, agent or agents of the Cooperative to whom such power may be delegated from time to time by the Board.

7.07 Membership in Other Organizations. The Cooperative shall not become a member of or purchase stock in any other organization without an affirmative vote of the directors.

7.08 Books, Records, Accounting Systems and Reports. The Cooperative shall keep and maintain at its principal place of business adequate and correct amounts of the properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, and margins in capital.

7.09 Obligations of Cooperative for Service. The Cooperative will use its best efforts to furnish adequate and dependable electric service, although THE COOPERATIVE CANNOT AND THEREFORE DOES NOT GUARANTEE A CONTINUOUS AND UNINTERRUPTED SUPPLY OF ELECTRICITY.

7.10 Circulation of Newsletter. For the purpose of disseminating information devoted to the science of agriculture, to agricultural cooperation and productive means of exploiting electric energy, the Board of Directors shall be authorized to periodically circulate a newsletter to the member. The annual subscription therefore in the amount of One Dollar (\$1.00) or more shall be deducted from any funds accruing in favor of such members so as to reduce funds in the same manner as with any other expense of the Cooperative.

ARTICLE VIII

INDEMNIFICATION AND INSURANCE

8.01 Indemnification. The Cooperative shall indemnify each person who is or was a director, officer, employee or agent of the Cooperative (including the heirs, executors, administrators or estate of such person)

or is or was serving at the request of the Cooperative as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise to the full extent permitted under Sections 46-3-306(b) and (c) of the Georgia Electric Membership Corporation Act or any successor provisions of the laws of the State of Georgia. If any such indemnification is requested pursuant to Sections 46-3-306(b) or (c) of said Act or laws, the Board of Directors shall cause a determination to be made (unless a court has ordered the indemnification) in one of the manners prescribed in Section 46-3-306(e) of said Act or laws as to whether indemnification of the party requesting indemnification is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections 46-3-306(b) or (c) of said Act or laws. Upon any such determination that such indemnification is proper, the Cooperative shall make indemnification payments of liability, cost, payment or expense asserted against, or paid or incurred by, him in his capacity as such director, officer, employee or agent to the maximum extent permitted by said sections of said Act or laws. The indemnification obligation of the Cooperative set forth herein shall not be deemed exclusive of any other rights, in respect of indemnification or otherwise, to which any party may be entitled under any other Bylaw provision or resolution approved pursuant to Section 46-3-306(e) of said Act or laws.

8.02 Insurance. The Cooperative may purchase and maintain insurance at its expense to protect itself and any director, officer, employee or agent of the Cooperative (including the heirs, executors, administrators or estate of any such person) against any liability, cost, payment or expense described in Section 8.01 of this Article VIII, whether or not the Cooperative would have the power to indemnify such person against such liability.

ARTICLE IX

PROPERTY

9.01 Disposition. The Cooperative may not sell any of its property other than:

(a) Property which, in the judgement of the Board of Directors, neither is nor will be necessary or useful in operating and maintaining the Cooperative's system and facilities; provided, however, that all sales of such property shall not in any one year exceed in value ten per centum (10%) of the value of all property of the Cooperative,

(b) Services of all kinds, including electric energy, and

(c) Personal property acquired for resale, unless such sale is authorized at a meeting of member by the affirmative vote of at least two-thirds (2/3) of the members voting thereon at such meeting in person and that two-thirds (2/3) must be a majority of the entire membership and the notice of such proposed sale shall have been contained in the notice of the meeting; or if all or substantially all of the property of the Cooperative is involved, such sale is authorized pursuant to the provisions of Section 34C-1102 of the Georgia Electric Membership Act

9.02 Security Interest. The Board of Directors, without any authorization by the members, at any regular meeting of the Board of Directors or any special meeting of which notice of the intent and purpose of the meeting is given in writing, shall have full power and authority to borrow money from the United States of America or any agency or instrumentality thereof or any national financing institution organized on a cooperative plan for the purpose of financing its member's programs, projects and undertakings in which the Cooperative is a member or from any other entity whatsoever and in connection with such borrowing from either one or more of such lenders, to authorize the making and issuance of bonds, notes or other evidence of indebtedness and to secure the payment thereof, to authorize the execution and delivery of a mortgage or mortgages, or deed or deeds of trust, security deeds, financing statements and security instruments upon the pledging or encumbering of any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative whether acquired or to be acquired and wherever situated, all upon such terms and conditions as the Board of Directors of this Cooperative shall determine.

ARTICLE X

SEAL

The seal of the Cooperative shall be in such form as the Board of Directors may from time to time determine. In the event it is inconvenient to affix such a seal at any time, the words "Corporate Seal" or the word "Seal" accompanying the signature of an officer signing for and on behalf of the Cooperative shall be the seal of the Cooperative.

ARTICLE XI

AMENDMENTS

11.01 How Bylaws Are To Be Amended. These Bylaws may be amended at any meeting of the Board of Directors by the affirmative vote of not less than a two-thirds (2/3) majority of the directors present at a meeting at which a quorum is present, provided notice of such meeting containing a copy of the proposed amendment or a reasonable synopsis thereof shall have been given at least five (5) days prior thereto; provided, however, that the Board of Directors shall not have the power to alter, amend or repeal provisions of these Bylaws or adopt new Bylaw provisions directly relating to the election of the Board of Directors. Any Bylaw provision required to be adopted or amended by the members may be altered, amended, repealed or new provisions adopted by a two-thirds (2/3) majority of those members present and voting at a regular or special meeting of the members, provided notice of such meeting containing a copy of the proposed amendment or a reasonable synopsis thereof shall have been given with the notice for such meeting.

11.02 Submissi... of Proposed Amendments. Any member wishing to have an amendment to the bylaws considered by the membership at the annual members' meeting must submit said proposed amendment to the Secretary of the Board of Directors in writing at least ninety days prior to said annual members' meeting.

Revised May 2009

Statement of Nondiscrimination

Rayle Electric Membership Corporation is the recipient of Federal financial assistance from the Rural Electrification Administration, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on the basis of race, color, religion, sex, veteran status, national origin, age or handicap shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Karen S. Chafin, Administrative Assistant. Any individual, or specific class of individuals, who feels this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from and/or file a written complaint with this organizational or the Secretary, U.S. Department of Agriculture, Washington, DC 20250; or the Administrator, Rural Electrification Administration, Washington, DC 20250. Complaints must be filed within 180 days after alleged discrimination. Confidentiality will be maintained to the extent possible.

EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER
M/F/V/D

**RAYLE ELECTRIC MEMBERSHIP CORPORATION
WASHINGTON, GEORGIA**

SUBJECT: REVIEW OF FORM 990

POLICY NO. 116

I. OBJECTIVES

- A. To establish guidelines and procedures for the preparation, and review by the Board of Directors, of the Cooperative's IRS Form 990 (the "Form 990") before it is filed with the Internal Revenue Service.

II. CONTENT

- A. A draft of the Cooperative's Form 990 shall be prepared under the supervision of the *General Manager* of the Cooperative by *an independent certified public accountant*.
- B. The person or persons responsible for preparing the Form 990 shall certify that, to the best of their knowledge, the Form 990 is correct and fairly reflects the financial condition of the Cooperative.
- C. A draft of the Form 990 shall be distributed to the Board of Directors to review **before** it is to be submitted to the Internal Revenue Service.
- D. When reviewing the Form 990, the Board of Directors shall have access to all supporting documentation and the person or persons responsible for preparing the form.
- E. The Minutes of the meetings of the Board of Directors shall annually document compliance with this policy and the review of the Form 990.

III. RESPONSIBILITY

- A. It is the responsibility of the *General Manager* to administer this Policy and to develop appropriate compliance controls.
- B. The Board shall be responsible for periodic review of this Policy and any modifications to it.

VI. Any existing policy or portion thereof that conflicts with the language of this policy is hereby repealed.

V. ADOPTED: December 18, 2008

EFFECTIVE: January 1, 2009

President: _____

Secretary: _____

**RAYLE ELECTRIC MEMBERSHIP CORPORATION
WASHINGTON, GEORGIA**

SUBJECT: CONFLICTS OF INTEREST

POLICY NO. 115-A

I. OBJECTIVES

- A. To provide general guidance to Board members, officers and key employees in the performance of their duties and responsibilities for the Cooperative to assure the high standards of integrity, impartiality, and conduct necessary for maintaining public confidence in the operations of the Cooperative.
- B. To establish a procedure governing conflicts of interest as they affect Board members, officers and key employees.
- C. To establish a procedure for the annual disclosure and monitoring of family and business relationships among Board members, officers and key employees that could give rise to financial conflicts of interest with the Cooperative.
- D. To assure compliance with the standards specified in the provisions on director qualifications and conflicts of interest of the Bylaws of the Cooperative.

II. DEFINITIONS

- A. A "conflict of interest" exists when a Board member, officer or key employee has a financial interest (including interests of a "Family Member") in a matter or decision of the Cooperative of such nature or magnitude as to present a reasonable prospect of a conflict between his personal interest and that of the Cooperative, so that he may not be able to exercise independent and objective judgment on the matter in the best interests of the Cooperative.
- B. "Family Member" means spouses, ancestors, siblings, children, grandchildren and great-grandchildren; and the spouses of siblings, ancestors, children, grandchildren and great-grandchildren. All relationships shall include natural, adopted and whole and half blood relationships.

III. CONTENT

A. The Board of Directors has resolved that the statements contained in the following paragraphs will serve as a guide to the Board members, officers and key employees in the management of the affairs of the Cooperative.

1. Use of Office: They shall refrain from any use of their respective offices for private gain for themselves or for other persons or organizations with which they are associated.
2. Use of Information: They shall refrain from any disclosure or use of inside information for private gain, either by direct action or by recommendations or suggestions to other persons or organizations with which they are associated. The confidentiality and proprietary nature of the Cooperative's business information must be respected at all times.
3. Gain from Beneficiary Organizations: They shall not receive or solicit from beneficiary organizations, related organizations or other persons having business with the Cooperative anything of value as a gift, loan, favor or gratuity for themselves or any other persons or organizations with which they are associated, except:
 - gifts, gratuities or favors, not exceeding \$50.00 in value, that do not create a sense of business obligation to the giver;
 - gifts from family or close friends that clearly are not intended to influence a business relationship or transaction;
 - business-related meals, refreshments, entertainment or travel provided that the Cooperative would otherwise reimburse the expense,
 - gifts of reasonable value for such occasions as promotions, birthdays, weddings, holidays or retirement;
 - promotional materials such as caps, t-shirts, mugs, pens, etc.; and
 - civic, charitable, educational or religious organization awards.

Anyone offered any other item of value in connection with the business of the Cooperative should immediately report the offer in accordance with the terms of the Cooperative's Whistleblower Policy. Any person who is unsure whether a potential or actual conflict of interest exists, or whether a particular activity would violate this policy, should ask the Cooperative's attorney.

4. Decisions Which Pose a Conflict of Interest: They shall make full disclosure to the Board of any facts which may indicate a conflict of interest. They shall disqualify themselves from the discussion of and voting on decisions which pose a conflict of interest or the appearance of a conflict of interest. They may request an opinion of the Cooperative's attorney before such action is taken.
5. Disclosure Certificate of Directors, Officers and Key Employees. They must annually complete and sign the Conflict of Interest Certification and Disclosure Form attached to this Policy ("Form"), or a form substantially similar to the Form, and submit the completed and signed Form to the Cooperative. Incumbents may update the previous year's Form. The Board, Chairman, Secretary and the Cooperative's attorney shall each retain a copy of the completed Forms.
6. Disclosure Certificate of Candidates: Board member candidates, whether or not already or previously incumbent, shall file with the General Manager or General Counsel a certificate that they are in compliance with the Bylaws and this Policy. Such certificate shall be in a form prescribed by the Board of Directors and shall be filed prior to either elections at member meetings or Board appointments to fill vacancies. If at any time a Board member, officer or key employee has a conflict of interest, or potential conflict of interest, he shall notify the [Board Chairman or President] and/or the Cooperative's attorney and make full disclosure of the conflict or potential conflict. Such disclosure shall be in a form acceptable to the Cooperative, and shall be kept confidential to the extent legally permissible unless the affected person consents otherwise.
7. Financial Interest. They shall not acquire or have a financial interest in any property which the Cooperative acquires. They also shall not have a direct or indirect financial interest in a supplier, contractor, consultant or other entity with which the Cooperative does business *unless such interest is disclosed to the full Board or a supervisor as soon as they have knowledge of such interest and the interested Board member, officer or key employee does not participate in any way in the decision to do business with such entity.* This does not prohibit the ownership of securities in a publicly owned company except in a substantial amount by which those in a position to materially influence or affect the business relationship between the Cooperative and such publicly owned company. Any other interest in or relationship with an outside entity or individual having business dealings with the Cooperative is prohibited if this interest or relationship might tend to impair the ability of the directors to serve the best interest of the Cooperative, *unless such interest is disclosed to the full Board or a supervisor as soon as they have knowledge of such interest and the interested Director, officer or key employee does not participate in any way in the decision to do business with such entity.*

8. Family Interests. If Family Members of a Board member, officer or key employee have a financial interest as specified above, such interest shall be fully disclosed to the Board, and the disinterested Directors shall decide if such interest should prevent the Cooperative from entering into a particular transaction, purchase or employment of services. The Director with the interested family member shall not participate in any way in the decision to do business with such Family Member or entity.
9. Disqualification. After being elected, if a Director does not comply with this Policy, then, except as otherwise provided by the Board for good cause, the Board may disqualify the Director from acting on any matter on which he has a conflict of interest [, and may take such other actions as may be permitted by the Bylaws].

If a majority of Directors complies with this Policy and approves a Board action, then the failure of a Director to comply with this Policy does not affect the Board action.
10. Officer and Key Employee Disqualification. After being hired, if an officer or key employee does not comply with this Policy, then, such officer or key employee shall be subject to disciplinary action, including, in the case of an employee, termination.
11. Review of Disclosure Certifications. Annually [the Executive Committee, a committee of the Board, management and/or the attorney] shall review the Forms and monitor the compliance with this Policy

IV. RESPONSIBILITY

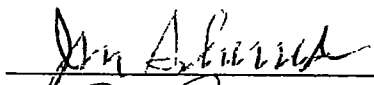
- A. It is the General Manager's responsibility to provide assistance to the Board to assure compliance with this Policy
- B. It is the responsibility of the General Counsel to counsel and/or advise individual Board members and/or the Board regarding compliance with this Policy when instructed to do so by the General Manager or the Board.
- C. It is the responsibility of the Board to review compliance with this Policy and to consult with any Board member or the General Manager, as the situation may require. It is also the responsibility of the Board to assure, to the extent possible, that the Cooperative is not damaged or compromised because of the existence of a conflict of interest on the part of Board members, the General Manager, or the General Counsel

IV. Any existing policy or portion thereof that conflicts with the language of this policy is hereby repealed.

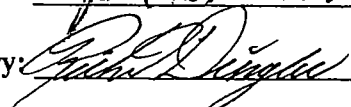
V. ADOPTED: December 18, 2008

EFFECTIVE: December 18, 2008

President:



Secretary:



Rayle EMC

Conflict of Interest Certification and Disclosure Form

The undersigned does hereby:

1. Affirm that I have received, read, and understands the most current version of the "Cooperative" Conflict of Interest Policy (the "Policy").
2. Agree to comply with the Policy.
3. Based upon a good faith belief, to the best of my knowledge, and except for the material facts disclosed below, certify that I currently comply with the Policy.
4. Disclose the names of the following living relatives (hereinafter, "Family Members"):
 - a. Spouse: _____
 - b. Ancestors (i.e., parents, grandparents, great-grandparents)

 - c. Siblings & their Spouses:

 - d. Children & their Spouses.

 - e. Grandchildren & their Spouses:

 - f. Great-Grandchildren and their Spouses:

- g. Disclose the names of the following additional persons whose interests I share in such a degree as to cause a potential conflict of interest with my fiduciary duty to the Cooperative:

5. Disclose the following actual or potential employment, directorship, income, and financial relationships, compensation arrangements, transactions, investments or other business interests I (or a Family Member) that could create, or create the appearance of, a conflict of interest as defined in the Policy:

6. Disclose any other business relationships (such as licenses, leases, royalties, etc.) I (or a Family Member) have that could create, or create the appearance of, a conflict of interest as defined in the Policy:

7. Disclose service as an officer, director, trustee, key employee, shareholder partner or member of the following entities doing business with the Cooperative:

8. Agree to disclose to the Board immediately any material facts that become known to me regarding any actual or potential employment, income, competition, conflict of interest transaction, insider pecuniary benefit, or corporate opportunity referenced in the Policy that could impact my compliance with the Policy.

9. Agree that if, pursuant to the Policy, the Board determines that I fail to comply with the Policy, then, except as provided otherwise in the Policy, the Board may disqualify me from acting on any matter on which I am deemed to have a conflict of interest, and I agree to accept the Board's decision.

Printed Name of Director

Signature of Director

Date

**RAYLE ELECTRIC MEMBERSHIP CORPORATION
WASHINGTON, GEORGIA**

SUBJECT: GENERAL MANAGER'S COMPENSATION

POLICY NO. 120

I. OBJECTIVES

- A. To establish general guidelines for the Board of Directors of the Cooperative to follow in determining the compensation of the *General Manager* of the Cooperative.
- B. To provide for compensation arrangements with the *General Manager* to be approved in advance by an authorized body composed entirely of individuals who do not have a conflict of interest with respect to the arrangement, with the body obtaining and relying on appropriate comparability data prior to making its determination, and the body adequately documenting its basis for its determination concurrently with such determination.

II. CONTENT

- A. Determinations regarding the compensation of executives shall be made by the Board of Directors, provided only those Directors who do not have a conflict of interest with respect to the compensation arrangement may be present during discussions, participate in discussions and vote. See, Conflict of Interest Policy
- B. In determining the compensation (base, bonus and incentive, as applicable) for the *General Manager* of the Cooperative, the Board of Directors shall consider, as it deems appropriate, any of the following factors: compensation for like services paid by utilities, cooperatives and similar organizations; job duties and responsibilities; aggregate benefits provided to the individual (excluding de minimis fringe benefits); any deferred compensation; the size, revenues and organizational structure of the Cooperative; and any other factor the Board of Directors may reasonably deem relevant. The Board of Directors may, as it deems appropriate, utilize independent surveys of comparability data
 - 1. In considering like services, factors may include: type of work; level of involvement; number of employees managed; budget or assets managed, management of multiple functions, departments, facilities or entities; full-time or part-time; and multiple capacities in the same or related organizations.
 - 2. In considering like enterprises, factors may include: size by budget, revenues, employees and customers; same business type (whether non-

profit, cooperative or for-profit); and entities that may be competing for the same pool of talent.

- C. Compensation for the *General Manager* shall be reasonable and set in advance.
- D. No individual with a financial interest in the determination may be present or participate in the discussion or voting on compensation of the *General Manager*.
- E. The Board of Directors shall contemporaneously document its deliberations and decisions regarding compensation of the *General Manager* in the Board minutes.

III. RESPONSIBILITY

- A. It is the responsibility of the Board of Directors to administer and enforce this Policy. The Board shall maintain appropriate oversight of executive compensation. The Board shall be responsible for periodic review of this Policy and any modifications to it.

- IV. Any existing policy or portion thereof that conflicts with the language of this policy is hereby repealed.

V. ADOPTED: December 18, 2008

EFFECTIVE: December 18, 2008

President: _____

Secretary: _____

**RAYLE ELECTRIC MEMBERSHIP CORPORATION
WASHINGTON, GEORGIA**

**SUBJECT: KEY EMPLOYEE COMPENSATION (EXCLUDES GENERAL
MANAGER)**

POLICY NO. 121

I. OBJECTIVES

- A. To establish general guidelines for determining the compensation of key employees, excluding the *General Manger* of the Cooperative.
- B. To provide for compensation arrangements with key employees to be approved in advance by the *General Manger*, to provide a means to avoid a conflict of interest with respect to the arrangement, and to recommend the use of appropriate comparability data and to assure the adequate documentation of the basis for each determination concurrently with such determination.

II. CONTENT

- A. The *General Manager* shall perform an evaluation and review of the compensation of key employees of the Cooperative, provided he or she does not have a conflict of interest with respect to the compensation arrangement. See, Conflict of Interest Policy.
- B. In determining the compensation (base, bonus and incentive, as applicable) for key employees of the Cooperative, the *General Manager* shall consider, as he or she deems appropriate, any of the following factors: compensation for like services paid by utilities, cooperatives and similar organizations; job duties and responsibilities; aggregate benefits provided to the individual (excluding de minimis fringe benefits); any deferred compensation; the size, revenues and organizational structure of the Cooperative; and any other factors he or she may reasonably deem relevant. The *General Manager* may, as he or she deems appropriate, utilize independent surveys of comparability data.
 - 1. In considering like services, factors may include: type of work; level of involvement; number of employees managed; budget or assets managed; management of multiple functions, departments, facilities or entities; full-time or part-time; and multiple capacities in the same or related organizations.
 - 2. In considering like enterprises, factors may include: size by budget, revenues, employees and customers; same business type (whether non-

profit, cooperative or for-profit); and entities that may be competing for the same pool of talent.

- C. The *General Manager* shall report the compensation of key employees as required by IRS Form 990 [*in accordance with the Policy on Board Review of the Form 990*].
- D. Compensation for key employees shall be reasonable and set in advance.
- E. No individual with a financial interest in the determination may be responsible for establishing the compensation of the key employees.
- F. The *General Manager* shall contemporaneously document his or her deliberations and decisions regarding compensation of key employees.

III. RESPONSIBILITY

- A. It is the responsibility of the *General Manager* to evaluate and establish the compensation of key employees and to report to Board of Directors pursuant to this Policy. The Board shall maintain appropriate oversight of executive compensation and shall be responsible for periodic review of this Policy and any modifications to it.

- IV. Any existing policy or portion thereof that conflicts with the language of this policy is hereby repealed.

V. ADOPTED: December 18, 2008 EFFECTIVE: December 18, 2008

President: _____

Secretary: _____

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).A corporation required to file Form 990-T and requesting an automatic 6-month extension — check this box and complete Part I only ☐*All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns*

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization	Employer identification number
	RAYLE ELECTRIC MEMBERSHIP CORPORATION ✓	58-0398354
	Number, street, and room or suite number. If a P.O. box, see instructions.	
	P.O. BOX 1090	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	WASHINGTON, GA 30673	

Enter the Return code for the return that this application is for (file a separate application for each return)

01

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► RAYLE EMC

Telephone No. ► (706) 678-2116

FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8/15, 20 11, to file the exempt organization return for the organization named above. The extension is for the organization's return for

- ☒ calendar year 20 10 or
► ☐ tax year beginning _____, 20 _____, and ending _____, 20 _____

- 2 If the tax year entered in line 1 is for less than 12 months, check reason ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.**BAA For Paperwork Reduction Act Notice, see Instructions.**Form **8868** (Rev. 1-2011)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print	Name of exempt organization	Employer identification number
	RAYLE ELECTRIC MEMBERSHIP CORPORATION	58-0398354
File by the extended due date for filing the return See instructions	Number, street, and room or suite number If a P O box, see instructions	
	McNair, McLemore, Middlebrooks Post Office Box One	
	City, town or post office, state, and ZIP code For a foreign address, see instructions MACON, GA 31202-0001	

Enter the Return code for the return that this application is for (file a separate application for each return)

01

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in care of ☒ RAYLE EMC
Telephone No ☒ (706) 678-2116 FAX No ☐
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 11/15, 20 11

5 For calendar year 2010, or other tax year beginning _____, 20____, and ending _____, 20____

6 If the tax year entered in line 5 is for less than 12 months, check reason ☐ Initial return ☐ Final return

☐ Change in accounting period

7 State in detail why you need the extension Taxpayer respectfully requests additional time to gather information necessary to file a complete and accurate tax return.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a \$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b \$
c Balance due. Subtract line 8b from line 8a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c \$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ☒

Title ☒

Date ☒

BAA

FIF20502L 11/15/10

Form 8868 (Rev 1-2011)