

Cobb EMC Forum

FOR IMMEDIATE RELEASE

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LOCAL GROUP ENDORSES COBB EMC AMENDMENTS

A local organization comprised of Cobb EMC customers has endorsed five proposed amendments to the Cobb EMC Bylaws which are being circulated by the EMC for consideration by its Members leading up to the EMC's annual meeting September 21 at Jim Miller Park. Cobb EMC Forum (the "Forum"), an independent group not related to Cobb EMC, is urging Cobb EMC Members to vote Yes for the five amendments in the voting process which is on-going between now and the September 21 annual meeting.

This year, Cobb EMC Members have the option of voting in person at the annual meeting, by mail-in ballot, or online at either www.cobbemc.com/annualmeeting or <https://www.esc-vote.com/CEMC>. Mail-in ballots and online ballots must be received by 5:00 PM on September 20.

The five amendments include two proposed by the Cobb EMC Board of Directors, and three proposed by Members. The Forum favors approval of all amendments.

The two amendments proposed by the EMC Board are a multi-part "Members' Bill of Rights", and a housekeeping

amendment to simplify one of the legal requirements to qualify to run for election or re-election as an EMC Director.

Forum President Mark Hackett said that while his group would have liked a few changes in the proposed Bill of Rights embodied in proposed amendment 1, on the whole it is a great step forward for the EMC, as it articulates the rights of Cobb EMC Members, who are also the EMC owners.

The third amendment was authored by EMC Member Grover Paulsen, who is also a Member of the Forum. The goal of this amendment is to insure that the Member population in each of the EMC's 10 geographic districts, from which each of the EMC's 10 Directors are elected, does not vary by more than 10% from any other district. Currently the Pataula district in southwest Georgia (comprising parts of Randolph, Calhoun, Quitman and Clay counties) has fewer than 3500 EMC Members and yet has its own Director representative, whereas the other nine districts in Cobb, Bartow, Cherokee, Fulton and Paulding counties average about 19,000 Members each.

The Cobb EMC Board of Directors opposes this amendment, arguing it has the potential to disenfranchise Members located in the Pataula district. The Forum favors the amendment, which actually ensures equal representation for all districts by preventing an under-populated district from having disproportionate representation.

The fourth amendment, authored by EMC Member and Forum Member Mark Hackett, is another housekeeping amendment which primarily corrects an unintentional error that was included in the current Bylaws.

Mr. Hackett is also the author of the fifth amendment, which deals with the number of Directors required to vote to remove another Director. The current Bylaws require a vote of two-thirds of the unaffected Directors, meaning that only six votes, a simple majority of the 10-member Board, are all that is required to remove a Director. His proposed amendment would increase the number of Directors required to remove another Director from six to seven Directors – two-thirds of the 10-member Board. The proposed amendment also requires that a Director who is the object of a removal action, other than one dealing with basic eligibility to serve, must have “committed gross negligence or willful misconduct which is injurious to the Cooperative.”

The EMC’s Board opposes the increase from six to seven Director’s votes needed to remove another Director, saying in the annual meeting notice* that requiring seven Director’s votes to remove another Director is “an unreasonable standard” compared to the current requirement of six Director votes.

Mr. Hackett counters by saying it should not be too easy for the Board of Directors to remove another Director who is, after all, elected by the entire Membership of Cobb EMC. Hackett further points out that the EMC’s own Governance Committee, comprised of members of the Board of Directors, recommended a similar measure at the July 30 meeting of the Board of Directors that would also have required seven Director votes to remove another Director. Hackett also points out that EMC Members can remove a Director on their own with a 2/3 majority which is a more equitable way to recall a Director that the Members themselves elected.

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supported, non-profit organization dedicated to providing resources, education and encouragement for Members of Cobb EMC interested in the governance and oversight of Cobb EMC. Cobb EMC Forum is not related to and not an affiliate of Cobb EMC, and the opinions of the Cobb EMC Forum do not necessarily represent the policy of Cobb EMC, its management, or Directors.

* this information in the Cobb EMC mailer on the annual meeting may be found at

<http://cobbemc.coopwebbuilder2.com/sites/cobbemc/files/Cobb%20EMC/Files/PDFs/Annual%20Meeting/BylawsAmendmentsMailing%206%92.pdf>