



1499 U.S. Highway 84 W

P.O. Box 270

Cairo, GA 39828

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Dear Grady EMC Member:

We are pleased to announce that the lawsuit filed against us in 2014 has been dismissed following a settlement agreement between the two groups. The dismissal is good news for Grady EMC and its members as it removes a distraction and allows our team to maintain its focus on serving each of you.

*It is important to know that in all of the legal back and forth there was no finding of wrongdoing on the part of Grady EMC.* This settlement has accelerated some processes and decisions that are positive for our organization.

The terms of the settlement are generally outlined in the enclosed press release. If you would like to see the full settlement, it is posted on our website at [www.GradyEMC.com](http://www.GradyEMC.com). If you have any questions, please do not hesitate to call me at 229-377-4182.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bo Rosser".

Bo Rosser  
President & General Manager



## **Court Dismisses Lawsuit Against Grady EMC Following Agreement**

*Tommy Rosser to Accelerate Planned Retirement; Committee to Make Recommendations*

CAIRO, Ga., May 23 – A superior court judge has dismissed a lawsuit against Grady EMC following an agreement the EMC reached with a group of dissatisfied members. Terms of the settlement include an accelerated retirement for Tommy Rosser and the establishment of an independent committee that will make recommendations to the Grady EMC board of directors this fall.

“This dismissal is good news for Grady EMC,” said Bo Rosser, president of Grady EMC. “It avoids the costs of protracted litigation and allows our employees to focus on serving our members.”

The agreement outlines several other policy changes for the EMC.

- Grady EMC will not make loans to officers or directors of the EMC.
- Grady EMC will not allow work on employee vehicles at the company garage or storage of employee vehicles by the EMC.
- No campaigning for board positions will be allowed on Grady EMC property.

“These are changes we have been considering and planning for some time and are happy to implement them immediately,” said Bo Rosser.

The settlement also establishes a special committee which is authorized to study issues surrounding certain Grady EMC land holdings, patronage capital, travel and company vehicle policies, board policies, and board election practices. This committee – composed of one appointee each from the plaintiffs and Grady EMC as well as one member agreed upon by both appointees – will then make non-binding recommendations to the Grady EMC board at its September meeting.

Grady EMC Board Chair Lamar Carlton praised Tommy Rosser.

“Tommy Rosser has served Grady EMC with distinction for more than 25 years and his efforts have led to the establishment of flexible and efficient energy sources for our members while transforming the EMC into a modern organization,” said Carlton. “We appreciate his years of service to our members and his assistance through our transition in leadership.”

The settlement, which can be found at [www.GradyEMC.com](http://www.GradyEMC.com), ends a protracted battle with a small group of dissenting members. It also includes a payment of \$75,000 to assist with plaintiff’s attorney fees, which will be paid by Grady EMC’s insurer. The dismissal comes after a superior court judge established a litigation review committee to review all aspects of the case and who in turn facilitated a late March mediation session between the two parties.

*Grady Electric Membership Corporation (Grady EMC), a private not-for-profit electric distribution cooperative in southwest Georgia, safely and reliably serves nearly 20,000 meters through more than 3,000 miles of line in Thomas, Grady and Decatur Counties.*