

The Telephone Company shall be known as the Pineville Telephone Co. The governing body of the Pineville Telephone Company shall be composed of the Board of Directors consisting of not more than eight (8) members--The Mayor and members of the Town Council shall make up five (5) members of the Board. The other three (3) members are to be appointed by the governing body of the Town of Pineville. These three (3) members shall serve for a term of two (2) years and may be re-appointed or replaced as so desired by the governing body of the Town of Pineville.

The Board of Directors of the Pineville Telephone Co., shall elect one of its members to serve as Chairman. The Chairman shall be an elected official. The Chairman shall serve for two (2) year term and may be re-elected. These appointments shall take place January 1, after a new Mayor and Town Council take office the first Monday in December, after the municipal election.

The Board of Directors shall make all business decisions that may concern the Pineville Telephone Company.

The Mayor and Town Council shall determine the compensation that the members of the Board of Directors receive.

The Town Manager or Town Clerk shall serve as the Secretary-Treasurer of the Pineville Telephone Company and a member of the Board of Directors.

W. J. Blankenship, Jr.

J. W. [Signature]