

UNION ELECTRIC MEMBERSHIP CORPORATION
Monroe, North Carolina

**Resolution on Emergency Bylaw Provisions for Promoting Member and Employee Safety
During the 2020 Annual Meeting and Election of Directors**

WHEREAS, protecting the health and well-being of the members of Union Electric Membership Corporation are of the highest importance;

WHEREAS, the United States Department of Homeland Security advises electric utilities of their status as a critical infrastructure industry and the employees of Union Electric Membership Corporation as “Essential Critical Infrastructure Workers;”

WHEREAS, current legal requirements prohibit large gatherings such as would occur with a traditional Annual Meeting;

WHEREAS, there is a reasonably likelihood that pandemic conditions and corresponding social distancing mandates will continue throughout the year; and

WHEREAS, it is unlikely that meeting spaces will be available to host any gathering for an in-person Annual Meeting.

NOW THEREFORE, be it **RESOLVED**, that the 2020 Annual Member Meeting will be conducted virtually.

Be it further **RESOLVED** that the Bylaws of Union Electric Membership Corporation are amended temporarily and solely to accommodate the 2020 virtual meeting, as follows:

SECTION 1.02 - Defined Terms.

Ballot – Bylaw Section 5.03

SECTION 4.01 – 2020 Annual Member Meeting.

For the purposes of electing Directors, hearing and passing upon reports covering the previous fiscal year, and transacting such other business as may properly come before the meeting, the Annual Member Meeting (“Annual Member Meeting”) shall be held on a Saturday in September or October of each year as may be determined by the Board, at such place within Union County as shall be designated in the notice of the meeting: PROVIDED, that, for cause sufficient to it, the Board may fix a different date for such Annual Member Meeting not more than ninety (90) days prior or subsequent to the day otherwise established for such meeting in this Section. . In such an event, all other dates throughout these Bylaws may be adjusted accordingly, upon reasonable advanced notice. Failure to hold the Annual Member Meeting at the designated time and place shall not work a forfeiture or dissolution of the Cooperative.

SECTION 4.03 - Notice of 2020 Annual Member Meeting.

As directed by the President, Secretary, or any Officer or Member properly calling an Annual Member Meeting or Special Member Meeting (collectively “Member Meeting”), the Cooperative shall deliver written notice of the 2020 Annual Member Meeting:

1. Personally or by mail, including electronic mail;
2. To all Members entitled to vote at the Member Meeting;
3. Indicating the date, time, location and/or media platform of the Member Meeting;
4. For the Annual Member Meeting, notice shall be mailed by first class mail or delivered electronically at least twenty one (21) but not more than forty (40) days prior to the Annual Member Meeting. Notice shall be accompanied by or include the corresponding Ballot. For Special Member Meetings, notice shall be mailed by first class mail at least ten (10) but not more than forty (40) days prior to the Special Member meeting; and
5. Describing any matter to be considered, or voted or acted upon, under N.C. Gen. Stat. §§ 55A-11-04 (Articles of Merger), 55A-12- 02 (Sale of Assets), or 55A-14-02 (Dissolution); and
6. For any Special Member Meeting, stating the purpose of, and describing any matter to be considered, or voted or acted upon, at the Special Member Meeting.

If mailed, notice of a Member Meeting is delivered when deposited in the United States Mail with prepaid postage affixed and addressed to a Member at the Member's address shown on the Membership List. Publication of the notice in *Carolina Country*, or other such Member publications, and timely delivery of the same to the Member shall be an acceptable means of providing notice.

The inadvertent and unintended failure to send, or of any Member to receive, notice of any Member Meeting shall not affect any action taken at the Member Meeting.

When notifying Members of any Member Meeting, the Cooperative shall include notice of any matter which a Member may raise or discuss, and intends to raise or discuss, at the Member Meeting if:

1. Requested, in writing, by a percentage of the Total Membership entitled to call a Special Member Meeting; and
2. The Cooperative receives the written request at least thirty (30) days prior to delivering notice of the Member Meeting.

Unless otherwise provided in these Bylaws, the Cooperative shall notify Members of a Member Meeting adjourned to another date, time, or location unless:

1. The Member Meeting is adjourned to another date occurring within one hundred and twenty (120) days following the Record Date for the original Member Meeting; and
2. The new date, time, or location is announced at the Member Meeting prior to adjournment.

Members may only vote upon matters described in the notice of the Member Meeting.

SECTION 4.04 - Record Date for 2020 Annual Member Meeting.

1. The Record Date for the purpose of determining the Members entitled to notice of a Member meeting, and a Ballot for delivery through United States mail, if any, shall not exceed 45 days preceding the day on which notice of such meeting is given.
2. The Record Date for the purpose of determining the Members entitled to vote by electronic Ballot at a Member Meeting shall be the fifth business day preceding the date of the Member Meeting.
3. A determination of Members entitled to notice of or to vote at a Member Meeting is effective for any adjournment of the meeting unless the Board fixes a new date for determining the right to notice or the right to vote, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

SECTION 4.07 - Member Quorum.

Except as provided in Section 5.03 with respect to counting Ballots toward a quorum for election of Directors, the attendance, in person of at least one hundred (100) Members, or one percent (1%) of the total Members of the Cooperative, whichever is less, shall be required for the transaction of business at any Member Meeting (“Member Quorum”). If less than a Member Quorum is present at any meeting, a majority of those present in person may adjourn the meeting to another time and date at least thirty (30) days later and to any place within one of the counties permitted in Section 4.01; PROVIDED, that the Secretary shall notify any absent Members of the time, date and place of such adjourned meeting by delivering notice thereof as provided in Section 4.03. At all meetings of the Members, whether a Member Quorum be present or not, the Secretary shall annex to the meeting minutes, or incorporate therein by reference, a list of those Members who were registered as present in person or, if allowed by Section 4.10, by proxy.

SECTION 4.08 - Voting.

1. Each Member or their spouse who is not suspended or terminated, as provided for in Article III, shall be entitled to one vote and no more upon each matter submitted to a vote at any Member Meeting. A non-Member spouse will be required to present satisfactory proof of the marital relationship (*e.g.*, same last name and same address on a valid ID) prior to voting the Membership interest except, during balloting with respect to the 2020 Annual Member Meeting, the Member is responsible for ensuring that no unauthorized person votes on the Member’s behalf. The Member spouse’s proxy is not required.
2. Voting by Members other than Members who are natural persons shall be allowed upon the presentation to the Cooperative, prior to or upon registration at each Member Meeting, of a notarized and otherwise satisfactory resolution of the entity (“Member Voting Document”) entitling the person presenting the same to vote, except, during balloting with respect to the 2020 Annual Member Meeting, Members who are not natural persons are responsible for ensuring that no unauthorized person votes on the Member’s behalf. A person entitled to cast the vote of such an entity, who is also himself a Member, may vote his own Membership as well as that of the entity he represents.
3. At all meetings of the Members, all questions shall be decided by a majority of the Members voting thereon, except as otherwise provided by law or by the Cooperative’s Certificate of Incorporation or these Bylaws.

SECTION 4.09 - Accepting and Rejecting Notarized Member Voting Documents.

Regarding any Member Voting:

1. Acceptance. Except for Ballots submitted with respect to the election of Directors during the 2020 Annual Member Meeting, all other Member Voting Documents must be notarized by a Notary Public who is outside the employ of the Cooperative. The Cooperative may accept, and give effect to, the notarized Member Voting Document if the name signed on the Member Voting Document corresponds to a Member's name, and the Cooperative acts in good faith; or the Cooperative reasonably believes the Member Voting Document is valid and authorized.
2. Rejection. The Cooperative may reject, and not give effect to, the Member Voting Document if the Cooperative acts in good faith; and has reasonable basis for doubting the validity of the signature on the Member Voting Document; or the signatory's authority to sign on behalf of the Member.
3. Liability. Neither the Cooperative, nor any Cooperative Member, Director, Officer, employee, or agent, is liable to any Member for accepting or rejecting a Member Voting Document as provided in this Bylaw.

SECTION 4.12 - Credentials and Election Committee for 2020 Annual Member Meeting.

The Board shall, at least sixty (60) days but no more than ninety (90) days before any Annual Member Meeting, appoint a Credentials and Election Committee ("C & E Committee") consisting of an uneven number of Cooperative Members that is sufficient in number, but at least five (5), to carry out the responsibilities of the Committee. Committee members shall not be members of the Nominating Committee or existing Cooperative or subsidiary employees, agents, officers, Directors or known candidates for Director, or the Close Relatives (as defined elsewhere in these Bylaws) or members of the same household of persons in the excluded categories. The Committee shall elect its own President and Secretary prior to the Annual Member Meeting. Acting within the parameters of these Bylaws, it shall be the responsibility of the Committee:

1. to review and approve the method and manner of balloting for the election of Directors;
2. to review and approve the adequate delivery of Ballots;
3. to review and approve the Committee's method of receiving the Ballots from the Members, including receipt by its designated agent;
4. to determine and rule upon all questions that may arise with respect to the eligibility of a nominee for election to the Board of Directors;
5. to pass upon all questions that may arise with respect to a Member's eligibility to vote;
6. to supervise vote recounts when a request for recount is made and authorized as set out in this section, or in the case votes were originally counted by a third-party service or firm, to provide for a recount which may be conducted at any office or customary business location of said third-party service or firm;
7. to rule upon the validity and effect of any Ballots or other vote irregularly or indecisively marked or cast;

8. to rule upon all other questions that may arise relating to Member voting and the election of Directors, including but not limited to the validity of protests and objections as allowed below, and except as reserved to the Nominating Committee, any such questions arising under or relating to Sections 5.02 through 5.08 of these Bylaws.

Subject to retaining its right of oversight or review, the C&E Committee may delegate its functions to a third-party vendor.

In the event that a candidate files a request for a recount, such filing must be made by the candidate in the office of the Chief Executive Officer of the Cooperative within three (3) business days following the adjournment of the meeting in which the voting was conducted. Upon such filing, the Committee shall be reconvened, not less than seven (7) days or more than thirty (30) days after such request is filed, for the purpose of supervising the recount of votes.

Candidates may only request a re-count of the specific race in which their candidacy was at issue and then only if (a) the margin of the contested race was less than 2% of the sum of the total number of valid Ballots cast in the challenging candidate's race, and (b) a re-count has not already occurred at the direction of the Committee. Re-counts at a remote location shall be permitted if an independent third party was retained to count Ballots. The Committee's decision, as reflected by a majority of at least three (3) Committee members actually present and voting, shall be final on all recount matters covered by this Section.

In the event that a candidate files a protest or objection to the conduct of the election ("Candidate Challenge"), such filing must be made by the candidate in the office of the Chief Executive Officer of the Cooperative within three (3) business days following the adjournment of the subject meeting. Candidates may only file protests and objections on their own behalf and may not protest or object to the results of any other candidates' races. The concerns of any candidate who does not file protests and objections as provided for herein shall be deemed waived. The Committee shall be reconvened, not less than seven (7) days or more than thirty (30) days after such protest or objection is filed. It shall be the duty of the Committee to rule upon any protest or objection filed with respect to any election. The Committee shall hear such evidence as is presented by the protesting or objecting candidate(s), their counsel, or both. The Cooperative shall provide legal counsel for the Committee, if requested. The Committee, by a majority of those actually present and voting, shall within a reasonable time but not later than thirty (30) days after such hearing, issue a decision on whether to:

1. affirm the results of the election;
2. correct the results of the election; or
3. set aside the election if the Committee determines that there exists a reasonable likelihood that the results of the election could be different, that a re-run election would likely be a better reflection of the Membership's interest, and that a re-run election is otherwise consistent with the best interests of the Membership in its entirety.

The decision of the Committee shall be final.

As determined by the Board, and as allowed by the Governing Documents, the Cooperative may reasonably compensate or reimburse Credentials and Election Committee Members.

SECTION 5.03 – Election and Forms of Ballot for 2020 Annual Member Meeting.

At each Annual Member Meeting, any election of Directors shall be conducted by written or electronic ballot, which may include voting via United States mail, voting through an online service or application, or via some other forms of electronic voting (“Ballot”). Each Member entitled to vote in the election of Directors shall be provided access to a Ballot and notified of the date and time by which the Credentials and Election Committee or its designated agent must receive the completed Ballot.

- a. Members shall cast their vote for Directors using and appropriately transmitting the Ballots as the exclusive method of balloting. No in-person voting will occur at the premises of the 2020 Annual Member Meeting.
- b. Ballots received prior to 5:00 PM on the third business day preceding and not counting the day of the Annual Member Meeting shall count in determining whether a Member Quorum exists at the Member Meeting and for the election of Directors. Ballots received after that date and time shall be void for all purposes.
- c. As determined by the Credentials and Elections Committee, a Ballot procured or cast through fraud or other improper means is void.
- d. The Cooperative’s inadvertent failure to send, or a Member’s failure to receive, a Ballot does not affect a vote or action taken by Ballot.

Directors shall be elected by a plurality vote of the Members. Drawing by lot shall resolve, where necessary, any tie votes.

SECTION 5.07 - Voting for Directors.

All Director elections and all Member voting are held and conducted on a Cooperative-wide basis, in accordance with Section 5.03. Members are entitled, but, not required, to vote for as many candidates in each election as there are contested seats in that race. Cumulative voting is not allowed. Attempts to attribute more than one vote to a single candidate shall be counted as a single vote for that candidate but shall not otherwise spoil the Ballot. Members may not change the vote of their first-recorded Ballot regardless of order of receipt.

Be it further **RESOLVED** that any conflicting provisions of the regular version of the Bylaws shall be deemed a nullity for purposes of the 2020 Annual Member Meeting; and

Be it finally **RESOLVED** that these amended Bylaw provisions shall take effect immediately and shall dissolve at the conclusion of the 2020 Annual Member Meeting, for reversion to the regular Bylaws.

I, Sherise Jones, Secretary-Treasurer of Union Electric Membership Corporation, do hereby certify that the above is a true and correct excerpt from the minutes of the meeting of the Board of Directors held on June 13, 2020, at which meeting a quorum was present.

Sherise Jones

Sherise Jones, Secretary-Treasurer