

UNION ELECTRIC MEMBERSHIP CORPORATION

Monroe, North Carolina
Minutes of Board of Directors Meeting
April 18, 2020

Pursuant to due notice thereof, a regular meeting of the Board of Directors of Union Electric Membership Corporation (hereinafter called the "Cooperative") was held on April 18, 2020, at 9:00 a.m., via electronic conference due to the COVID-19 crisis.

All Directors were present. Also present were Greg Andress, Executive Vice President and General Manager; Aaron Christensen, General Counsel; and Numa Robertson, Vice President of Corporate Services. Theresa Blackwell, Vice President of Finance and Accounting; and John S. Cheatham, Certified Public Accountant, of Adams, Jenkins & Cheatham, P.C.; attended portions of the meeting.

With President Kirk presiding, the following proceedings were held:

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| Invocation | 1. | Mr. Starnes gave the invocation. |
| 2019 Audit Report Presentation | 2. | Mr. Cheatham presented the 2019 Independent Auditor's Report, expressing a clean or unmodified opinion. He further highlighted the Consolidated Financial Statements as of December 31, 2019, including the Balance Sheets, Statements of Operations and Comprehensive Income, Statements of Equities, Statements of Cash Flow, and other supplemental information and matters. On MOTION and second, the Board accepted the Audit Report. |
| Approval of Minutes of Board Meeting | 3. | On MOTION and second, the minutes of the February 8, March 18, and March 25, Board Meetings were approved. |
| New Member Applications | 4. | A total of 982 new members made application for service and those new members are now actively receiving electric service from the Cooperative. A total of 707 members resigned their membership. Thereafter, on MOTION and second, the following resolution was approved |

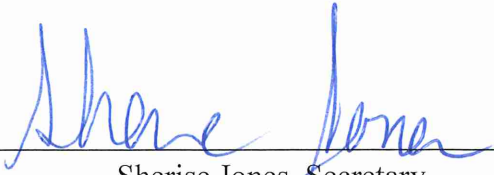
RESOLVED, the resignations and/or disconnections of resigning members is hereby accepted and approved. The applications of new members are hereby accepted and approved. A list of resigning members and new members is hereby

directed to be filed in the official records
of the Cooperative.

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| Financial Report –
Union Power | 5. | On MOTION and second, the Board accepted the Financial Report. |
| Financial Report –
Union Services | 6. | On MOTION and second, the Board accepted the Financial Report for Union Services. |
| Write-off Report | 7. | Mr. Andress reported on write-off, in the amount of .04% of revenues, and provided a general overview of recoupment strategies. |
| Legal Report | 8. | Mr. Christensen presented the legal report, commenting on pandemic, employment, and member issues. |
| Notification and
Assignment of Capital
Credits for 2019 | 9. | Ms. Blackwell reviewed the nature of capital credits for the cooperative industry, and thereafter presented the proposed Notification and Assignment of Capital Credits for 2020. On MOTION and second, the Board approved the Notification and Assignment, reflecting allocations of 5.409% of Cooperative-sourced patronage and 2.019% of G&T patronage. |
| Recommendation for
2020 Capital Credit
Retirement and
Distribution | 10. | Ms. Blackwell recommended capital credits retirements for 2020 totaling \$3,479,784.00, representing 100% of the 2001 allocation and 25% of the 2002 allocation. On MOTION and second, the Board approved the proposed retirements. |
| Manager’s Report | 11. | Mr. Andress reported on strategies for protecting employees and crews during the COVID-19 pandemic, indicating that no employee or family member has been diagnosed to date. Mr. Andress further commented on the Cooperative’s liquidity position and the trends in accounts receivables. Concluding, Mr. Andress commented on the extraordinary efforts of the linemen during the recent storm outages and the success of advanced planning efforts for materials distribution in substations. The Board further expressed its appreciation for the extraordinary efforts. |
| Safety Report | 12. | Mr. Andress presented the Safety Report for February and March, reflecting no lost-time injuries year to date. |

There being no further business, on MOTION and second, the meeting was adjourned at 10:15 a.m.

Respectfully submitted this 18th day of April 2020.



Sherise Jones, Secretary

Approved:



Lee Roy Kirk, President