

UNION ELECTRIC MEMBERSHIP CORPORATION

Monroe, North Carolina

Minutes of Board of Directors Meeting

February 13, 2021

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 February 13, 2021, starting at 9:00 a.m., via electronic conference.

All Directors were present. Also present were Greg Andress, Executive Vice President and General Manager; and Aaron Christensen, General Counsel. Additionally, Theresa Blackwell, Vice President of Finance and Accounting, attended portions of the meeting.

With President Kirk presiding, the following proceedings were held:

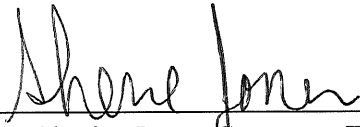
- | | | |
|---|----|---|
| Invocation | 1. | Mr. Kirk gave the invocation. |
| Approval of Minutes of Board Meeting | 2. | On MOTION and second, the minutes of the December 12, 2020 Meeting were approved. |
| New Member Applications | 3. | <p>A total of 1,023 new members made application for service during the period of December 1, 2020, through January 31, 2021, and those new members are now actively receiving electric service from the Cooperative. A total of 729 members resigned their membership during this same time period. Thereafter, on MOTION and second, the following resolution was approved.</p> <p style="margin-left: 40px;">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</p> |
| Finance and Audit Committee Report | 4. | Mr. Kirk presented the Finance and Audit Committee Report, indicating the Committee reviewed and approved all expenses for the Executive Vice President and General Manager. On MOTION and second, the Board accepted the expense reports. |
| Financial Report | 5. | Ms. Blackwell presented the preliminary Financial Report, highlighting the 2020 end-of-year statement of operations; various labor, revenue and expense statistics; the balance sheet; other key financial data, and corresponding pandemic impacts. Ms. Blackwell further reported on the |

balance sheet and other metrics for Union Service. On MOTION and second, the Board accepted the financial report.

- | | | |
|---|-----|--|
| COVID-19 Operational Update | 6. | Ms. Blackwell presented the Cooperative's "Return to Normal" plan, with the goal of engaging members in two-way communications while providing tailored assistance within legal and business constraints while managing reconnections and other business matters. |
| 990 Compliance | 7. | Ms. Blackwell presented the 990 compliance survey of Directors. |
| Confidential Legal Update | 8. | Mr. Christensen reported on regional and national matters affecting the cooperative industry and provided other confidential guidance. |
| Executive Session | 9. | On MOTION and second, the Board entered executive session to discuss legal and strategic matters. No actions were taken. |
| General Manager's Update | 10. | Mr. Andress presented the General Manager's update, addressing business and strategic priorities, with a specific focus on (i) anticipated exponential increases in market penetration of electric vehicles, (ii) developments in the field of distributed energy resources and coordination with central station generation, and (iii) consideration of establishing a 501(c)(3) charitable foundation. |
| Director Education | 11. | Mr. Andress commented on the availability of educational opportunities in conjunction with the NRECA Annual Meeting and other upcoming conferences. The Board also recognized Directors Caudle, Hyatt, Porter, and Threatt for receiving their Credentialed Cooperative Director Certifications. |
| Write-offs and Delinquent Accounts | 12. | Mr. Andress reported on net write-offs of delinquent accounts, with further comments on the pandemic impacts. |
| Safety Reports | 13. | Mr. Andress presented the Safety Report, reviewing safety performance measures on a monthly and year-to-date basis. |

There being no further business, and on MOTION and second, the meeting was adjourned at 11:00 a.m.

Respectfully submitted this 13th day of February 2021.



Sherise Jones, Secretary-Treasurer

Approved:



Lee Roy Kirk, President