

UNION ELECTRIC MEMBERSHIP CORPORATION

Monroe, North Carolina

Minutes of Board of Directors Meeting

April 10, 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 April 10, 2021, at 9:00 AM, at the Cooperative's headquarters office in Monroe, North Carolina.

All Directors were present. Also present were Greg Andress, Executive Vice President and General Manager; and Aaron Christensen, General Counsel. Theresa Blackwell, Vice President Finance and Accounting, attended portions of the meeting. Special guest John Cheatham, of Adams, Jenkins & Cheatham, attended portions of the meeting via remote conference.

With President Kirk presiding, the following proceedings were held:

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| Invocation | 1. | Mr. Kirk gave the invocation. |
| Board Changes | 2. | The Board welcomed Mr. David Smith to the Board of Directors. Mr. Hasty gave notice of his resignation, effective immediately, with the Board thanking him for his service and Mr. Hasty expressing gratitude for the opportunity to serve the members. |
| Approval of Minutes of Board Meeting | 3. | On MOTION and second, the minutes of the February 13, and March 3, 2021, Board Meetings were approved. |
| New Member Applications | 4. | A total of 992 new members made application for service during the period of February 1, 2021, through March 31, 2021 and those new members are now actively receiving electric service from the Cooperative. A total of 875 members resigned their membership during this same period. Thereafter, on MOTION and second, the following resolution was approved:

<div 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.</div> |
| COVID-19 Update | 5. | Mr. Andress presented an update on the business impacts of the COVID-19 pandemic, reviewing moratorium efforts to assist members and the economic impacts on |

revenue and collections. Ms. Blackwell presented a financial analysis of the impacts of the moratorium and implementation of the phased “return to normal” plan.

**Finance and Audit
Committee Report**

6. 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 –
Union Power**

7. Ms. Blackwell presented the Financial Report as of February 28, 2021, highlighting the Statement of Operations, Balance Sheet, and the Statement of Cash Flows. On MOTION and second, the Board accepted the Financial Report.

**2020 Audit Report
Presentation**

8. Mr. Cheatham presented the 2020 Audit Report, expressing an unmodified or “clean” opinion. He further highlighted the Consolidated Financial Statements, 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.

**2021 Wage and Salary
Plan**

9. Mr. Address presented the 2021 Wage and Salary Plan, including an analysis of internal equity and outside market impacts, compensation philosophies, and relevant comparison data. On MOTION and second, the Board accepted the 2021 Wage and Salary Plan, reflecting 3.89% increase over the 2-year period since 2019 and directed Mr. Address to proceed with implementation of the Plan.

**Confidential Legal
Report**

10. Mr. Christensen presented the Confidential Legal Report.

Executive Session

11. The Board entered an Executive Session. No official action was taken.

**Statewide, National and
Local Updates**

12. Mr. Address discussed various matters of local, state and national interest.

**Write-Off Summary of
Delinquent Accounts**

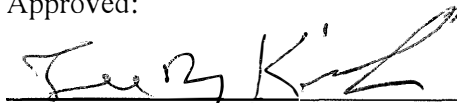
13. Mr. Andress reported on write offs, in the amount of .04% of revenues, and provided a general overview of recoupment strategies.

Safety Report

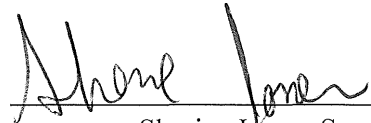
14. Mr. Andress presented the Safety Report.

There being no further business, on MOTION and second, the meeting was adjourned at 12:00 PM.
Respectfully submitted this 10th day of April 2021.

Approved:



Lee Roy Kirk, President



Sherise Jones, Secretary