

Resolution on Emergency Bylaw Provisions for Promoting Member and Employee Safety During the 2021 Annual Meeting and Election of Directors

WHEREAS, protecting the health and well-being of the members of Randolph 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 Randolph EMC 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 reasonable 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 2021 Annual Member Meeting will be conducted virtually.

Be it further **RESOLVED** that the Bylaws of Randolph EMC are amended temporarily and solely to accommodate the 2021 virtual meeting, as follows:

ARTICLE II. MEETINGS OF MEMBERS

SECTION 2.01. 2021 VIRTUAL ANNUAL MEMBER MEETING.

The 2021 meeting of the membership of the Cooperative shall be held virtually on June 18, 2021, as shall be designated by the Board of Directors of the Cooperative in the Notice of the Meeting. The meeting shall be for the purpose of electing directors, passing upon reports covering the previous fiscal year and transacting such other business as may come before the meeting. It shall be the duty of the Board of Directors to make adequate plans and preparations to encourage member voting according to the standards of these Bylaws and to promote virtual attendance at the annual meeting. The President or the President's delegate shall preside over the meeting.

SECTION 2.03. NOTICE OF 2021 VIRTUAL ANNUAL MEMBER MEETING.

Written or printed notice of the media platform, date and hour of the 2021 Virtual Member Meeting shall be delivered to each member in the May 2021 issue of *Carolina Country*, which shall satisfy notice and delivery requirements. The incidental and unintended failure of the Cooperative to send or of any member to receive such notice shall not invalidate any action which may be taken by the members at or during any such meeting, and the participation of a member by registering or voting during or in conjunction with the 2021 Virtual Annual Member Meeting shall constitute a waiver of notice of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business, or one or more items of business, on the ground that the meeting shall not have been lawfully called or convened. Any member attending any meeting for the purpose of making such objection shall notify the Secretary prior to the beginning of the meeting of said member's objection.

SECTION 2.04. QUORUM.

A member's Ballot, on-line registration, or registration card shall each be sufficient for the purpose of meeting registration and establishing the quorum for the 2021 Virtual Annual Member Meeting. A quorum of at least one hundred (100) members shall be required for the election of Directors and for transacting any other business. If less than a quorum is present at the meeting, the meeting shall adjourn to a time and date at least twenty (20) days later, or continued until the next year, as determined by the Board; PROVIDED, that the Secretary shall notify any absent members of the new time, date and place of such adjourned meeting by delivering notice thereof as provided in Section 2.03.

SECTION 2.05. REMOTE VOTING.

- All voting for Directors during the 2021 Virtual Annual Member Meeting shall be conducted remotely according to the ballot standards established in Section 3.04.
- Each Member who is not suspended or terminated shall be entitled to one vote and no more

upon any matter submitted to a vote at the 2021 Virtual Annual Member Meeting. The Member is responsible for ensuring that no unauthorized person votes on the Member's behalf.

- 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 a Member, may vote on behalf of their own Membership as well as that of the entity the Member represents.

SECTION 2.07. ORDER OF BUSINESS.

The order of business at the 2021 Virtual Annual Member Meeting shall be essentially as follows: (a) Report on the number of registered members and determination of quorum. (b) Report on the Notice of the Meeting and the due publication or mailing thereof. (c) Report on approval of minutes of previous meetings of the members. (d) Presentation of reports of officers, directors, and committees. (e) Report on results of election of directors. (f) Unfinished business. (g) New business. (h) Adjournment. Notwithstanding the foregoing, the Board of Directors may from time to time establish a different order of business for the purpose of assuring the earlier consideration of and action upon any item of business the transaction of which is necessary or desirable in advance of any other item of business; PROVIDED, no business other than adjournment of the meeting to another time and place may be transacted until and unless the existence of a quorum is first established.

SECTION 2.08. CREDENTIALS AND ELECTION COMMITTEE.

The Board of Directors shall, during the January 2021 Board of Directors meeting, appoint a Credentials and Election Committee consisting of an odd number of members, not less than five (5) nor more than twenty-nine (29), who are not existing Cooperative employees, agents, officers, directors or known candidates for directors, who are not close relatives thereof or members of the same household or cooperative officers, existing directors or known candidates for directors, and who, if an election of directors is to be held are not members of the Nominating Committee for such meeting. In appointing the Committee, the Board shall have regard for equitable representation of the several areas served by the Cooperative. The Committee shall elect its own chairman and secretary prior to the member meeting.

Acting within the parameters of these Bylaws, it shall be the responsibility of the Committee:

- to review and approve minutes from prior Annual Member Meetings;
- to review and approve the method and manner of balloting for the election of Directors;
- to review and approve the adequate delivery of Ballots;
- to review and approve the Committee's method of receiving the Ballots from the Members,

- including receipt by its designated agent;
 - 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;
 - to pass upon all questions that may arise with respect to a Member's eligibility to vote;
 - to supervise vote recounts when a request for recount is made and authorized as set out in this section, or in the case that 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;
 - to rule upon the validity and effect of any Ballots or other vote(s) irregularly or indecisively marked or cast;
 - except as reserved to the Nominating Committee, 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;
 - in the absence of a contested election, to represent the members in electing the Directors by acclamation on motion and second of the committee.
- Subject to retaining its right of oversight and review, the Credentials & Election 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 with the office of the Chief Executive Officer of the Cooperative within three (3) business days following the adjournment of the meeting with respect to 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) voting Committee members shall be final on all re-count 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 with the office of the Chief Executive Officer of the Cooperative within three (3) business days following the adjournment of the subject meeting. Candidates may file protests and objections only 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 voting, shall within a reasonable time but not later than thirty (30) days after such hearing, issue a decision on whether to:

11. affirm the results of the election;
12. correct the results of the election; or
13. 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 3.02. QUALIFICATIONS.

The persons named as directors in the Articles of Incorporation of the Cooperative shall compose the board of Directors until the first Annual Meeting or until their successors shall have been elected and shall have qualified. No person shall be eligible to become or remain a director of, or to hold any position of trust, in the Cooperative, who:

- (a) does not have the legal capacity to enter into a binding contract under the laws of the State of North Carolina; or
- (b) does not have the mental and physical capacity to exercise the corporate standard for business judgment in discharging his/her duties in a manner to be in the best interests of the Cooperative under the laws of the State of North Carolina; or
- (c) has not been a member of the Cooperative in the Directorate District for which such person seeks election and has received electric service there as his/her primary residential abode in such person's own name for at least one hundred eighty (180) consecutive days next preceding the date of the election; or
- (d) has, during the ten (10) years preceding the date of nomination, been a regular employee of the Cooperative or of a competing enterprise; or
- (e) is in any way employed by or financially interested in a competing enterprise; or
- (f) is engaged in the business of selling electric energy.

A director or director's company may be allowed to sell materials, supplies, equipment, or vehicles to the Cooperative only if at least three bids are submitted to the Cooperative for any such sale, and only if the director or his/her business has submitted the lowest bid. Upon establishment of the fact that a nominee for director lacks eligibility under this Section or as may be provided elsewhere in these bylaws, it shall be the duty of the chairman presiding at the meeting at which such nominee would otherwise be voted upon to disqualify such nominee. Upon the establishment of the fact that any person being considered for, or already holding a directorship or other position of trust in the Cooperative, lacks eligibility under this Section, it shall be the duty of the Board of Directors to withhold such position from such person, or to cause such person to be removed therefrom, as the case may be.

Nothing contained in this Section shall, or shall be construed to, affect in any manner whatsoever the validity of any action taken at any

meeting of the Board of Directors, unless such action is taken with respect to a matter which is affected by the provisions of this Section and in which one or more of the directors have an interest adverse to that of the Cooperative.

When a membership is held jointly by a husband and wife, either one, but not both may be elected a director; provided, however, that neither one shall be eligible to become or remain a director or to hold a position of trust in the Cooperative unless both shall meet the qualifications hereinabove set forth.

SECTION 3.03. NOMINATIONS.

It shall be the duty of the Board of Directors to appoint, during the January 2021 Board of Directors meeting, a District Nominating Committee for each Directorate District in which directors are to be elected. Such District Nominating Committees shall consist of not less than three (3) nor more than five (5) members who shall be selected from the Directorate District from which a director is to be nominated. No officer or member of the Board of Directors or close relative thereof shall be appointed a member of such Committee/Committees. On or before March 19, 2021, the Committees shall prepare and post at the principal office of the Cooperative a list of nominations for directors, but any fifteen (15) or more members may make other nominations in writing over their signatures and these nominations shall be delivered by hand to either Randolph EMC office not later than 5:00 PM, March 31, 2021 and the Secretary shall post the same at the same place where the list of nominations made by the Committees is posted. The Secretary shall mail with the Notice of the Meeting a statement of the number of directors to be elected and showing separately the nominations made by the District Nominating Committees and the nominations made by petition if any. The members may at any meeting at which a director or directors shall be removed, as hereinbefore provided, elect a successor or successors thereto without compliance with the foregoing provisions with respect to nominations. Notwithstanding anything in this section contained, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of directors.

SECTION 3.04. ELECTION.

For the 2021 Virtual Annual Member Meeting, any election of Directors shall be conducted by written or electronic Ballot, which may include United States mail, email, or other methods of electronic voting ("Ballot") but shall not include in-person voting. 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.

1. Members shall cast their vote for Directors using and appropriately transmitting the Ballots as the exclusive method of balloting.
2. Ballots received prior to 5:00 p.m. on June 4, 2021, shall count in determining whether a Member Quorum exists at the Virtual Annual Member Meeting and for the election of Directors. Ballots received after that date and time are void for all purposes.
3. Members may not change the vote of their first-recorded ballot regardless of order of receipt.
4. As determined by the Credentials and Elections Committee, a Ballot procured or cast through fraud or other improper means is void.
5. 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.

In the absence of a contested election, the Cooperative will dispense with balloting and the election shall be by acclamation on motion and second of the Credentials and Election committee.

Directors shall be so nominated and elected that, beginning with the Annual Meeting of the members of 1996, directors from Directorate Districts 2, 4, and 7 shall be elected for three (3) year terms; at the Annual meeting of the members of 1997, directors from Directorate Districts 5, 8, and 9 shall be elected for three (3) year terms; and at the Annual Meeting of the members of 1998, directors from Directorate Districts 1, 3, and 6 shall be elected for three (3) year terms. Beginning with the next succeeding Annual Meeting of the members, and at each such meeting thereafter, the same number of directors that corresponds to the number whose terms are expiring shall be elected to serve a term of three (3) consecutive years; PROVIDED, that a year as used in this section shall mean the period beginning with one Annual Meeting of the members and ending at the next; and PROVIDED FURTHER, that, notwithstanding the terms for which they are elected, directors shall serve until their successors shall have been elected and qualified.

SECTION 3.05. DIRECTORATE DISTRICTS.

Directors shall be so nominated and elected that the Board shall be comprised of nine (9) Directorate Districts. A director of a Directorate District must be a resident of, and make his/her primary residential abode, on a premises served by an electrical circuit provided by the Cooperative. All of the Cooperative's electrical circuits, as identified by circuit numbers on the Cooperative's maps and records, shall be divided into nine (9) Directorate Districts. For the purpose of assuring equitable representation, additional circuit numbers may be added to or deleted from a Directorate District. It shall be the duty of the board of Directors to make such additions to, and deletions from, the various Directorate Districts no later than April 1st of each year. Such additions and deletions, along with the existing Directorate District circuit numbers, will be provided to the members. Each of the nine (9) Directorate Districts is:

District Number	Circuit Numbers
1	1, 2, 3, 4, 5, 8, 68
2	6, 7, 24, 25, 27, 30, 71, 73
3	9, 13, 14, 16, 67, 69, 70
4	10, 11, 15, 26, 75, 76, 77
5	18, 19, 20, 21, 22, 23, 78
6	28, 55, 72, 87, 88
7	33, 34, 36, 37, 38, 46, 47, 48, 49, 80, 81, 83, 84
8	39, 40, 50, 51, 52, 53, 82, 85, 86
9	42, 43, 44, 61, 62, 63, 64, 89, 90

(Electrical circuits may be added or deleted on April 1st of each year for the purpose of ensuring equitable representation.)

Be it further **RESOLVED** that any conflicting provisions of the regular version of the Bylaws shall be deemed a nullity for purposes of the 2021 Virtual 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 2021 Virtual Annual Member Meeting, for reversion to the regular Bylaws.