



February 1, 2019

Dear SECO Energy member,

Thank you for attending the SECO Energy 2019 Annual Meeting and participating in the cooperative business model and member-driven governance. I join the Board of Trustees in recommending a one paragraph revision to the SECO Energy Bylaws and a related amendment to the cooperative's Articles of Incorporation.

The recommended revision and related amendment allow your Board the flexibility to authorize "by mail or electronic" voting on matters identified through official SECO Energy meeting notices. Members casting such votes shall be counted as present in person at such meetings for determination of quorum. This change will allow you the members the ability to vote electronically or by mail on cooperative business conducted at an Annual Meeting even if you are unable to attend.

The recommended revision to the Bylaws is found in the Voting Packet with the blue cover (see Article III, Section 5 for reference). The recommended amendment to the Articles of Incorporation is found in the Voting Packet with the orange cover (see Article VI, Section 5 for reference). Because these recommended changes are related, both must pass or neither can pass. Furthermore, per Florida Statute, the approval of an amendment to the Articles of Incorporation requires a supermajority. The Bylaws revision approval requires a simple majority.

Please read through the Voting Packets on Annual Meeting day. Each back cover includes a "Yes, I approve" placard, and a "No, I disapprove" placard. During the Articles of Incorporation amendment and Bylaws revision votes, please hold up the corresponding placard to indicate your vote. We will capture crowd photos of the votes and will only collect the placards if a clear outcome is not visually apparent.

I personally support both the Articles of Incorporation amendment and the Bylaws revision. During the Q&A, I, our cooperative attorney or a member of SECO's executive leadership will answer questions about the amendment and revision.

Sincerely,

A handwritten signature in black ink that reads "Jim Duncan". The signature is written in a cursive, flowing style.

Jim Duncan, CEO

**SECO**Energy.com

## **THIS PAGE IS PART OF THE OFFICIAL NOTICE OF SECO ENERGY'S 2019 ANNUAL MEETING.**

One of the benefits of the Sumter Electric Cooperative, Inc. (d/b/a SECO Energy) business model is member involvement in its governance. The Board of Trustees has approved and recommends the below revision to the SECO Energy Bylaws and a related amendment to its Articles of Incorporation. Deleted words are lined through and new words are underlined. The questions of whether to approve the revision and amendment are part of the March 23, 2019 SECO Energy Annual Meeting agenda and will be put to member vote that day.

Currently, the Bylaws and Articles of Incorporation do not give the Board of Trustees flexibility to accept member votes by mail or electronically. If adopted, the recommended revision and amendment will allow the Board the flexibility to authorize by mail or electronic voting on matters identified through official SECO Energy meeting notices. Members casting such votes would be counted as present in person at meetings for determination of quorum. This change would let the Board adopt a policy allowing you as a member to vote electronically or by mail on cooperative business even if you are unable to attend a member meeting. The recommended revision and amendment will be included in your Voting Packets at the Annual Meeting on March 23. If you cannot attend, you may submit feedback at [SECOEnergy.com](http://SECOEnergy.com). Click the Annual Meeting RSVP banner to find the Bylaws/Articles feedback submission form.

### **BYLAWS OF SUMTER ELECTRIC COOPERATIVE, INC. Article III Meetings of Members, Section 5. Voting**

- (a) Each member shall be entitled to only one vote. All questions shall be decided by a vote of a majority of the members voting thereon in person, except as otherwise provided by law, the Articles of Incorporation, Articles of Conversion, or these Bylaws. No voting by mail or by proxy shall be permitted (except as permitted by these Bylaws.)
- (b) 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 satisfactory evidence entitling the person presenting the same to vote.
- (c) Voting by the spouse of a member shall be permitted upon presentation to the Cooperative, prior to, or upon registration at, each member meeting, of satisfactory evidence, entitling the spouse presenting the same to vote on behalf of said member.
- (d) The Board may, from time to time, adopt a policy or policies authorizing members to vote by mail or electronic transmission if not prohibited by law. Voting by mail or electronic transmission under such a policy may be permitted so long as such votes are submitted in accordance with procedures adopted by the Board. The question upon which a member may vote shall be included with the notice of the meeting. Members voting by mail or electronic transmission shall be counted as present in person for determination of a quorum, provided that members voting by mail or electronic transmission shall not be counted on any matter raised at a meeting which was not identified in the notice of the meeting. An executed or electronically signed ballot appearing to have been transmitted by the Member, or a reproduction of a ballot is a sufficient ballot.

### **ARTICLES OF INCORPORATION OF SUMTER ELECTRIC COOPERATIVE, INC. Article VI, Section 5**

**Section 5.** The voting power and property rights and interests of each member shall be equal, and each member shall be entitled to one vote and no more upon each matter submitted to a vote at a meeting of the members, which vote shall be in person or by proxy as provided in the Bylaws of the ~~Association~~ Cooperative. Ballots may be received by mail or electronic transmission if and to the extent authorized the Bylaws of the Cooperative and not prohibited by law. Except as otherwise provided by law, these Articles of Incorporation or the Bylaws of the ~~Association~~ Cooperative, at all meetings of the members at which a quorum is present, all questions shall be decided by a vote of a majority of the members present in person or, represented by proxy and, where authorized the Bylaws of the Cooperative and not prohibited by law, having delivered ballots by mail or electronic transmission. The election of Trustees shall be as provided by the Bylaws.