

TRI-COUNTY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE SPECIAL CALLED BOARD OF TRUSTEES MEETING
May 24, 2018

A special called meeting of the Board of Trustees of Tri-County Electric Cooperative, Inc. (hereinafter called the Cooperative) was held at the office of the Cooperative on Thursday, May 24, 2018, pursuant to notice to all the Trustees of the Cooperative.

The following Trustees were present: H. Heath Hill, W. Kenneth Davis, Jr., Barbara R. Heape, Mary A. W. Brown, Maurice P. Etheredge, Jr., and F. Doug Shuler, Sr. Also present were Attorney John G. Felder, CEO Chad Lowder, and Cindy Sarratt, who recorded the minutes of the meeting.

CALL TO ORDER – INVOCATION

President Heath Hill called the meeting to order. Following the Call to Order, Kenneth Davis gave the Invocation.

Executive Session

On motion by Mary Brown, seconded by Maurice Etheredge, and carried, the board entered executive session to receive legal advice. Then, on motion duly made, seconded, and carried, the board returned to regular session after taken no action in executive session.

Legal Advice

John Felder advised the trustees that one lawsuit has already been filed and there is indication of more to come, possibly against the board members individually. The Class Action Suit has been turned over to Federated. Federated has assigned David Black to handle the defense, along with John Felder. Mr. Felder explained that he will be bound to the Cooperative interest. Mr. Felder then advised and recommended that the board retain private counsel of their choosing to represent them individually or collectively. Mr. Felder further explained that because of the vote of the members in rejecting the bylaws that were presented he is concerned about any benefits being paid to the board members even through self-pay. Since that is an unsettled issue that has been settled by the members, Mr. Felder advised the CEO that he cannot issue any more benefits to trustees. In addition to that, Policy 407 which has to do with compensation cap, establishes a compensation cap that cannot exceed, for trustee

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benefits, the South Carolina average, as outlined therein. Also, any payment of any benefits on behalf of Tri-County Electric Cooperative, Inc. to trustees is prohibited. On motion by Barbara Heape, seconded by Mary Brown, and carried, the board accepted the legal advice given by John Felder.

Board Travel

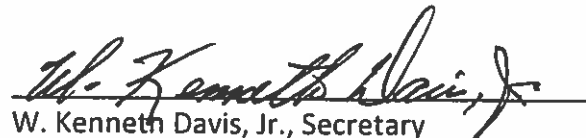
On motion by Mary Brown, seconded by Barbara Heape, and carried, all travel expenses for all board members was suspended indefinitely as of May 24, 2018. Kenneth Davis is permitted to attend the Statewide Board Meetings in Columbia.

Board Per Diem

On motion by Kenneth Davis, seconded by Barbara Heape, and carried, the board per diem was returned to \$450.

Adjournment

There being no further business, on motion duly made, seconded, and carried, the meeting adjourned.


W. Kenneth Davis, Jr., Secretary

APPROVED:


H. Heath Hill, President