

CHEROKEE COUNTY ELECTRIC COOPERATIVE
ASSOCIATION

**NOTICE OF ANNUAL MEETING AND VOTE ON AMENDING
ARTICLES OF INCORPORATION**

Notice is hereby provided that Cherokee County Electric Cooperative Association (“Cooperative”) will hold its annual meeting of the Members on **Tuesday, October 19, 2021, at 6:30 p.m. in the Nichols Intermediate School Cafeteria, 818 SE Loop 456, Jacksonville, Texas 75766** (“Annual Meeting”).

Notice is also hereby provided that a vote of the Members will be taken on amending certain articles of the Cooperative’s Articles of Incorporation (“Articles”) at the Annual Meeting. The proposed amendments allow the Cooperative to offer broadband services, simplifies language that is outdated or that is no longer practical in application, and include new language to protect the business structure of the Cooperative and the Members’ interests in the Cooperative.

The general nature of each proposed amendment to the Articles that are to be presented and voted on by the Members at the Annual Meeting are provided with this notice.

If you are unable to attend the Annual Meeting, we would ask that you please return your “Member Proxy” to the Cooperative for the purpose of establishing a quorum, authorizing the transaction of business, and authorizing the Board of Directors to vote on your behalf on matters submitted to a vote of the Members at the Annual Meeting.

Please return your Member Proxy to the Cooperative’s offices at P.O. Box 257 Rusk, Texas 75785 by 5:00 p.m. on Friday, October 15, 2021

**CHEROKEE COUNTY ELECTRIC COOPERATIVE ASSOCIATION
ANNUAL MEETING OF MEMBERS**

October 19, 2021

MEMBER PROXY

Authorizes Cooperative’s Board of Directors to vote on Members’ behalf at the Annual Meeting on matters other than Director elections. Would specifically allow Board to vote on an amendment to the Articles of Incorporation that would allow the Cooperative to offer Broadband Services along with other amendments.

Member (please print): _____

Member-Account #: _____

I, the undersigned, as a Member or as the authorized representative of a Member of Cherokee County Electric Cooperative Association (“Cooperative”), do hereby grant this “Proxy” to the Cooperative’s Board of Directors (“Board”) to act as my agent and proxy at the annual meeting of the Members to be held on **Tuesday, October 19, 2021, at 6:30 p.m. in the Nichols Intermediate School Cafeteria, 818 SE Loop 456, Jacksonville, Texas 75766** (“Annual Meeting”). With this Proxy, I hereby authorize the Board: (1) to use this Proxy for establishing a quorum at the Annual Meeting; (2) to transact business at the Annual Meeting; and (3) to cast my vote on all matters submitted to a vote of the Members at the Annual Meeting as it deems appropriate in accordance with the Cooperative’s Bylaws and in accordance with any special instructions I may provide with this Proxy. This Proxy and the rights, privileges and duties granted herein shall be subject to any additional special instructions I may provide and shall expire at the close of the Annual Meeting.

Authorized Signature

Date

Printed Name and If Applicable Your Title
(When signing as attorney, trustee, administrator, executor, etc., please indicate your full title and provide proof of said authority)

Please return your Member Proxy to the Cooperative’s offices at P.O. Box 257 Rusk, Texas 75785 by 5:00 p.m. on Friday, October 15, 2021

PROPOSED AMENDMENTS TO CCECA’S ARTICLES OF INCORPORATION

The general nature of each proposed amendment to Cherokee County Electric Cooperative Association’s (“Cooperative” or “CCECA”) Articles of Incorporation (“Articles”) that are to be presented and voted on by the members at the Annual Meeting are as follows:

ARTICLE II

Article II, addressing the purpose for which the Cooperative is formed, shall be amended: (1) by deleting certain language detailing specific purposes for which the Cooperative is organized; and (2) by adding language that would allow the Cooperative to engage in any purpose or purposes, “allowed by applicable federal or state law.” This amendment would allow the Cooperative to offer broadband services.

ARTICLE IV

Article IV, addressing director issues, shall be amended by adding new language consistent with current law that limits the liability of a director except as provided by law.

ARTICLE VII

Article VII, addressing membership requirements, shall be amended: (1) by deleting all of the current language; and (2) by adding new language, allowed by the Texas Electric Cooperative Corporation Act, stating that the determination of membership matters is reserved to the directors and shall be addressed in the Bylaws.

ARTICLE VIII

Article VIII, Section 1, addressing the disposition of Cooperative property, shall be amended: (1) by deleting most of the current language; (2) by adding language, similar to the deleted language but simplified, to clearly state under what circumstances and to what extent the Board may dispose of Cooperative property without member approval; (3) by adding language that would require a quorum of at least two-thirds (2/3) of the members for a vote on the sale or disposal of all or substantially all of the Cooperative’s assets or a vote on the dissolution of the Cooperative’s assets; and (4) by adding language that would only allow the Cooperative to consolidate or merge with an entity operating on a cooperative basis.

Article VIII, Section 2, addressing “Quorum” requirements for a members’ meeting, shall be amended: (1) by deleting all of the current language; (2) by adding language that does not change the Quorum requirement of at least four percent (4%) of the members to conduct a members’ meeting but clarifies that they must be “entitled to participate in a meeting of the members”; (3) adding language consistent with current law clarifying how a Quorum may be established, specifically adds new language providing that ballots cast by mail can be counted towards establishing a Quorum; and (4) adding new language limiting the time that a group of Members not comprising a Quorum can adjourn a members’ meeting to a date no more than ninety (90) days but that does eliminate notice for the rescheduled members’ meeting.