

LUMBEE RIVER ELECTRIC MEMBERSHIP CORPORATION  
Minutes of the Regular Meeting of the  
Board of Directors  
July 18, 2023

Pursuant to due notice thereof, a meeting of the Board of Directors of the Lumbee River Electric Membership Corporation was held at the Corporation's headquarters in Pembroke, North Carolina, beginning at 5:30 p.m., Tuesday, July 18, 2023. Directors present in person were Chairman Rory Eddings, Vice-Chairman Eric Locklear, James Hardin, Rhonda Goins Dial, Treasurer Anthony Hunt, Autry Lowry, Ronald Anderson, Ronald G. Hammonds, Spencer Locklear Sherry Carter, Kirk Lowery, Elaine O. Chavis and Secretary Roger Oxendine. Also present were the President and CEO Jonathan T. Locklear, and Grady Hunt representing Hunt & Brooks, the Corporation's general counsel.

Also present were the, VP of Member Service & Community Relations Ruby Clark Quick, Executive Assistant Kim Chavis, Chief Financial Officer Daniel Leonard, VP of Corp. Services Walter White, VP of Information Technology Craig Davis, Chief Operations Officer John Dyson and VP of Eng. & Operations Matt Epps.

Chairman Rory Eddings called the meeting to order, and prayer was said by Ronald Anderson.

1. A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE AMENDED AGENDA BY MOVING ITEMS 7A AND B TO EXECUTIVE SESSION. THE VOTE WAS CARRIED UNANIMOUSLY.
2. There were no member comments made during this LREMC Regular Meeting.
3. A MOTION WAS DULY MADE BY BOARD MEMBER ANTHONY HUNT AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE MINUTES FOR THE JUNE 20, 2023 REGULAR BOARD MEETING. THE VOTE WAS CARRIED UNANIMOUSLY.

A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE JUNE 27, 2023 POLICY COMMITTEE MEETING MINUTES. THE VOTE WAS CARRIED UNANIMOUSLY.

A MOTION WAS DULY MADE BY BOARD MEMBER JAMES HARDIN AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE RECOMMENDATIONS OF THE POLICY COMMITTEE WITH RESPECT TO ANY CHANGES IN THE POLICIES REPORTED IN THE JUNE 27, 2023 POLICY COMMITTEE MEETING MINUTES. THE VOTE WAS CARRIED UNANIMOUSLY.

4. Mr. John Dyson presented the Safety Report for the month of June 2023. There were no incidents reported for the month of June, 2023. A MOTION WAS DULY MADE BY BOARD MEMBER SPENCER LOCKLEAR AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE JUNE 2023 SAFETY REPORT. THE VOTE WAS CARRIED UNANIMOUSLY.

5. Mr. Roger Oxendine presented the Secretary's Report to the directors for the month of June 2023. A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE JUNE 2023 SECRETARY REPORT. THE VOTE WAS CARRIED UNANIMOUSLY.
6. Mr. Anthony Hunt presented the Treasurer Report (Form 7) to the directors for the month of June 2023. A MOTION WAS DULY MADE BY BOARD MEMBER ANTHONY HUNT AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE JUNE 2023 TREASURER REPORT (FORM 7). THE VOTE WAS CARRIED UNANIMOUSLY.
7. Chief Financial Officer Daniel Leonard presented the LREMC Financial Report for June 2023. A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE JUNE 2023 ESTATE RETIREMENTS AND INACTIVE RETIREMENTS. THE VOTE WAS CARRIED UNANIMOUSLY.

Chief Financial Officer Daniel Leonard presented the 2022 Key Ratio Trend Analysis (KRTA) Executive Summary and presented the LREMC-T Financial Review for June 2023.

8. President and CEO Jon T. Locklear provided the CEO update. He discussed that vendors were in place to light up all the trucks. He discussed the Battery Storage Facility at McLaughlin Substation and the interest in another site located at Hog Swamp Substation. The batteries would be able to run the substation for a few days. The life span is between twenty and thirty years for the Battery Storage Facilities and the disposal of the batteries after their useful lives has not been addressed at this point.
9. Walter White presented on proposed EPA regulations related to CO2 Emissions that would force closure of coal generated plants. The general consensus is that this is moving too fast for other sources to come on line as a replacement for the coal generated plants. The general consensus is that this would be disruptive to the current power supply.
10. Craig Davis, VP of Information Technology, provided the Board a Cybersecurity update. External Pen Testing was completed to test the vulnerability of LREMC's computer system. There were no confirmed weaknesses found. There were two potential weaknesses found. A simple network management protocol port exposed to the internet and an expired SSL/TLS certificate. Mr. Davis provided the spam filter traffic summary for the past three months and also provided the Palo Alto Firewall Threat Report.
10. Mr. Rory Eddings discussed matters of interest to Directors to include the following:
  - a. LREMC Family Day will be held Saturday, July 22, 2023 at the Lumbee Indian Cultural Center from 10 a.m. to 3:00 p.m.
  - b. The Nominating Committee Meeting will be held on Thursday, August 3, 2023 at LEMC Headquarters in Pembroke at 4:00 p.m.
  - c. The last day for member petition nominations will be Friday, August 18, 2023 at 4:00 p.m.
  - d. The Credentials & Elections Committee Meeting will be on Monday, August 21, 2023 at LREMC Headquarters in Pembroke at 4:00 p.m.
  - e. All LREMC offices will be closed on Monday, September 04, 2023 in observance of Labor Day.

- f. The 2023 LREMC Annual Meeting of the Members will be held Thursday, October 12, 2023 at the LREMC Headquarters in Pembroke, NC.
- g. The 2023 NRECA Regional Meetings for Regions 1 & 4 will be Wednesday - Friday, September 06-08, 2023 in Richmond, Virginia.
- h. The 2023 Fall Planning Session will be held on Friday-Sunday, October 27-29 at the Marina Inn at Myrtle Beach, SC.
- i. Ms. Maggie Hunt, former Board Member, recently passed.
- j. The NRECA Annual Meeting will be held in San Antonio, TX from February 29, 2024 to March 5, 2024.
- k. The Executive Committee Meeting will be held on Thursday, August 1, 2023 at LREMC Headquarters in Pembroke at 5:30 p.m.
- l. The Finance/Audit Committee Meeting will be held on Tuesday, August 8, 2023 at LREMC Headquarters in Pembroke at 5:30 p.m.
- m. The Loan and Economic Development Committee Meeting will be held on Tuesday, August 8, 2023 at LEMC Headquarters in Pembroke at 6:00 p.m.

11. A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD ENTERED EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried.

12. A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD CONFIRMED ALL ACTIONS TAKEN IN EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried. All votes were reaffirmed without discussion as follows:

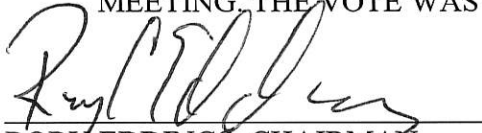
A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE NOMINATING COMMITTEE AS AMENDED. ALL VOTED IN FAVOR EXCEPT FOR SPENCER LOCKLEAR WHO VOTED AGAINST.

A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE CREDENTIALS AND ELECTIONS COMMITTEE AS AMENDED. VOTING IN FAVOR WAS RONALD ANDERSON, ELAINE O. CHAVIS, RHONDA GOINS DIAL, ANTHONY HUNT, ERICE LOCKLEAR, KIRK LOWERY AND ROGER OXENDINE. RONALD G. HAMMONDS, JAMES HARDIN, SPENCER LOCKLEAR AND AUTRY LOWRY VOTED AGAINST. SHERRY CARTER ABSTAINED FROM THE VOTE. THE VOTE PASSED.

A MOTION WAS DULY MADE BY BOARD MEMBER JAMES HARDIN AND WAS PROPERLY SECONDED AND THE BOARD APPROVED TO ALLOW BOARD MEMBERS RONALD G. HAMMONDS AND AUTRY LOWRY TO SUBMIT SUBSTITUTE NAMES FOR THE CREDENTIALS AND ELECTIONS COMMITTEE AND ALLOW EXECUTIVE SECRETARY KIM CHAVIS TO POLL BOARD MEMBERS TO DETERMINE IF THEY SUPPORTED THE SUBMITTED NAMES.

13. A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE TO LEAVE EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried.

14. A MOTION WAS DULY MADE BY BOARD MEMBER ROGER OXENDINE TO ADJOURN THE MEETING. THE VOTE WAS CARRIED UNANIMOUSLY.

  
RORY EDDINGS, CHAIRMAN

  
ROGER OXENDINE, SECRETARY