Voting Instructions

1. Fill in the box next to your choice(s).
2. Place ballot in white, postage-paid return envelope.
3. To be counted, ballots must be received by 4:30 p.m., Wednesday, June 12, 2024.
4. Ballots will be counted remotely by Survey & Ballot Systems in conjunction with NHEC election tellers.
5. If voting online, do not return this ballot.

Note: The order of names may be different on your ballot. Be sure to conform names.

MARKING INSTRUCTIONS
EXAMPLE ■

ELECTION OF DIRECTORS

VOTE FOR NO MORE THAN FOUR (4).

Ballots with more than four (4) votes will be voided.
Statements from candidates appear in the accompanying brochure.
Please read the Nominating Committee's report in the accompanying brochure.

- ☐ Patricia Barbour — *Nominated by Nominating Committee*
- ☐ Brenda Boisvert — *Nominated by Petition*
- ☐ Paul Bolduc — *Nominated by Nominating Committee*
- ☑ Leo Dwyer — *Nominated by Petition*
- ☐ James Krull — *Nominated by Nominating Committee*
- ☐ _____ — *Write in (other than candidates listed above)*
- ☐ _____ — *Write in (other than candidates listed above)*
- ☐ Peter Laufenberg — *Nominated by Nominating Committee*
- ☑ Jeffrey Morrill — *Nominated by Nominating Committee*
- ☐ Brian Norton — *Nominated by Nominating Committee*
- ☑ Jerry Stringham — *Nominated by Petition*
- ☐ _____ — *Write in (other than candidates listed above)*
- ☐ _____ — *Write in (other than candidates listed above)*

PROPOSED BYLAW AMENDMENT

BALLOT 2 QUESTION 1: BYLAW AMENDMENT #1

This question was proposed by member petition. The NHEC Board of Directors, by a 6-5 vote, does not recommend approval of this proposal (a **NO** vote).

Shall NHEC's Code of Bylaws be amended effective June 18, 2024 to reflect the changes as described on the back of this ballot?

- ☑ Yes
- ☐ No

SEE BACK SIDE FOR BYLAW AMENDMENT

2024

SAMPLE

BALLOT 2 QUESTION 1: BYLAW AMENDMENT #1

Pursuant to Article III, Sections 2 and 3 of the New Hampshire Electric Cooperative, Inc.'s Code of Bylaws, a petition of members proposes the following question be added to the 2024 NHEC Ballot to be voted on by members in advance of the June 18, 2024 annual meeting. The proposed changes will be submitted to a mail vote of the membership with results announced at NHEC's annual meeting on June 18, 2024.

Note: Additions are shown as underlined.

ARTICLE IV, General Powers, Section 1

Section 1. *General Powers.* The business and affairs of the Cooperative shall be governed by a Board of eleven (11) Directors chosen by and from the membership, which shall exercise all the powers of the Cooperative except such as are by law, the Certificate of Organization or these bylaws conferred upon or reserved to the members. **In order to exercise those powers and fiduciary duties, Directors shall have access to all Cooperative documents with the exception of documents contained in employee personnel files or whistleblower files.**

ARTICLE IV, Rules and Regulations, Section 7

Section 7. *Rules and Regulations.* The Board of Directors shall have power to make and adopt such rules and regulations, not inconsistent with the law, the Certificate of Organization of the Cooperative or this Code of Bylaws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative; **provided that no rule, regulation or policy shall restrict Director access to Cooperative documents requested by three (3) or more directors.**

A copy of the petition with signatures is on file for viewing.

Statement from the Petitioners on Ballot 2 Question 1: Bylaw Amendment #1

Your YES vote on the proposed bylaw amendment will help ensure NHEC Directors have access to the information they need to defend and protect members' interests. That's just good governance.

Current Bylaws approved by members give Directors "all the powers" to oversee the utility. Yet Board policy allows a CEO and/or counsel to deny meaningful access to information requested by three Board members. The proposed amendment remedies that defect.

Unfortunately, a narrow majority of the Board voted 6-5 to oppose this proposal. And there was an attempt to strike the proposed amendment from the ballot. That's a clear sign of why change is needed. Send a message that you support members' rights by voting YES on the proposed amendment.

All other NH utilities' rates are regulated by the state. As the Board Vice Chair noted in a recent newsletter, the Co-op is different: "Since NHEC is a member-owned cooperative and not an investor-owned utility, any sort of rate changes are approved by the Board rather than the NH Public Utilities Commission."

To protect against excessive rates, NHEC directors need the same unrestricted access to critical information the PUC has.

To maintain the status quo, the opposition warns of "unintended consequences." The proposal requires that three Directors, bound by a duty of confidentiality, must request needed documents and further safeguards sensitive information by excluding confidential information such as employee and whistleblower files.

In sum, a YES vote is in your interest – and that of all 85,000 Co-op members.

Statement from the Board of Directors on Ballot 2 Question 1: Bylaw Amendment #1

These amendment changes are **not** proposed by the NHEC Board of Directors.

The Board of Directors voted to oppose this ballot question. The NHEC Board did not request the proposed Bylaws Amendment and does not support it. The proposal does not solve any problems and could have serious unintended consequences.

Under current Board policy, the Board already has access to all NHEC contracts and documents, other than personnel files. The current Board policy authorizes NHEC's CEO and General Counsel to review those documents for their sensitivity before distributing them to the Board.

The proposal would eliminate the involvement of NHEC's CEO and General Counsel in assessing the confidential nature of NHEC documents. Eliminating management's and counsel's role would leave a significant gap in the protection of NHEC's confidential data. It would deprive the Board of management expertise and effective assistance of counsel in identifying and protecting confidential information.

The proposal would also prevent the Board from authorizing additional categories and levels of protection for NHEC's confidential information without undertaking a future amendment to the NHEC Bylaws. The Board must retain its flexibility to respond to future needs.

For these reasons, the NHEC Board urges Members to vote **NO** on the proposed Bylaws amendment.

SAMPLE