

VERMONT ELECTRIC COOPERATIVE, INC.
SPECIAL MEETING OF THE BOARD OF DIRECTORS
April 22, 2020

APPROVED MINUTES

Notice of this meeting was sent to each Director electronic means on April 21, 2020. All directors waived the five-day mail notice provision in the VEC bylaws.

President Rich Goggin called the meeting to order at 9:03 a.m. via videoconference. Present were Directors Ken Hoepfner, Carol Maroni (Second Vice President), Mark Woodward (Secretary), George Lague, Charlie Van Winkle, Rich Westman, Don Worth, Paul Lambert (First Vice President), John Ward (Treasurer), Tom Bailey, and Jody Dunklee. Also present from VEC were CEO Rebecca Towne, General Counsel Vickie Brown, Chief Financial Officer Mike Bursell, Chief Operations Officer Peter Rossi, Safety & Security Manager John Varney, Controller Caroline Mashia, and Project Planner Laura Kinney.

Goggin noted that the meeting will cover one topic: approval for VEC to take a loan in the amount of \$2,588,600.00 as part of this Payroll Protection Program (PPP) authorized by Congress in the Coronavirus Aid, Relief and Economic Security (CARES) Act. The loan is through People's United Bank acting under the direction of the Small Business Administration (SBA) to implement the PPP.

Towne thanked the directors for convening a meeting on short notice. The timing is tight to move forward with this loan given the number of companies competing for these loans.

Bursell noted that VEC had its application in very early but getting through the queue took some time. He said that VEC plans to use this grant money to ameliorate the adverse impacts of reduced sales, increased bad debt expense from delinquencies, and losses on power supply sales on the market. This loan was included in our contingency planning. This will allow us to continue with initiatives that we had planned for 2020 and to keep our workforce intact. He noted that we have received support from the regulators for this loan. Finally, he said that to be eligible for forgiveness for the loan, VEC must retain its current level of employment for at least eight weeks, which VEC expects to meet.

There were a number of clarifying questions from directors.

Ward moved and Maroni seconded that the Board approve the attached Resolution provided by People's United Bank authorizing VEC to borrow funds available through the Payroll Protection

Program of the CARES Act and that the Secretary of the Board be authorized to sign such Resolution on behalf of VEC.

The motion was approved by unanimous vote.

Maroni moved and Woodward seconded to adjourn the meeting.

The motion passed by unanimous vote.

The meeting adjourned at 9:38 p.m.

Respectfully submitted:

Mark Woodward, Secretary

Rich Goggin, President