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## **SUMMARY OF BOARD-RECOMMENDED 2026 BYLAWS AMENDMENTS**

At the 2026 Choptank Electric Cooperative, Inc. (the “Cooperative”) annual member meeting, you will have the opportunity to vote on amendments to the Cooperative’s bylaws (the “Bylaws Amendments”). The Bylaws Amendments have been recommended by the Board of Directors (the “Board”) for approval by the Cooperative’s members (“Members”).

### **BACKGROUND**

One of the duties of the Governance Committee of the Board (the “Committee”) is to make recommendations to the Board related to the Cooperative’s governing documents. The bylaws were last amended in April of 2023 to make minor adjustments. Since then, the Committee has identified many revisions to modernize and streamline the bylaws, which have been recommended by the Committee to the Board. The Board has accepted the Bylaws Amendments and has submitted them to a vote of the Members with a recommendation of approval.

As in the past, the Bylaws Amendments are being proposed “en bloc,” as a single amendment, because the changes being proposed are intertwined throughout the bylaws. The language has been reviewed by the Cooperative’s legal counsel to ensure that they comply with Maryland law.

Following is a synopsis of some of the substantive bylaws changes recommended by the Board. The proposed bylaws in their entirety are enclosed. The existing bylaws and a mapping document detailing the changes are available at <https://choptankelectric.coop/governance>.

### **SUBSTANTIVE CHANGES IN THE PROPOSED CHOPTANK ELECTRIC BYLAWS**

1. Removed the concept of Patronship Types as previously described in Section 2.03. The revised Bylaws instead state “[e]xcept as otherwise provided in the Articles or these Bylaws, all members have the same rights and obligations” (Section 2.4).
2. Added a member conduct and consent section (Section 2.5(e)).
3. Added additional director qualifications to Section 4.4 and additional ability of Cooperative to investigate and confirm those qualifications (Section 4.4(e)).
4. Changed to permit officers to be elected at the first board meeting after annual meeting and removed requirement that it be without nominations (previously Section 6.02, now 6.1).
5. Expanded indemnification section to be more prescriptive as to when Cooperative will, and will not, indemnify a Director, an Officer, or another individual (previously Section 10.07, now Section 6.14)
6. Expanded on the ability to deliver documents electronically (Section 9.1).



Important sections that did not change:

1. The requirement that an Annual Member Meeting occur;
2. The total number of Members needed for a quorum;
3. The composition of the Board;
4. The procedures for Director and Officer elections;
5. The required Cooperative officers.

If you have any questions or concerns, you may send your comments by mail or email us at [legal@choptankelectric.coop](mailto:legal@choptankelectric.coop). We will send you a personal reply.

Sincerely,



JOHN J. BURKE JR.  
Chairman, Board of Directors

