

OFFICIAL NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF CITIZENS ELECTRIC CORPORATION

The **Annual Meeting** of Shareholders of Citizens Electric Corporation will be held at Citizens Electric Corporation's Headquarters located at 1500 Rand Avenue in the City of Perryville, State of Missouri, on the **23rd day of April, 2020**, at **6:00 p.m.** for the purpose of acting upon the following:

- 1. The reports of officers, directors and CEO.**
- 2. The election of 4 directors for a term of 3 years each.**

Pursuant to Article II, Section 3 of the Corporation's By-Laws, the Nominating Committee has nominated the following individuals as candidates in the 2020 election of directors for Citizens Electric Corporation:

TWO SUCCESSFUL CANDIDATES FROM EACH COUNTY LISTED BELOW
TO SERVE FOR A THREE-YEAR TERM:

Ste. Genevieve / St. Francois County:

- Rodney Scherer, 23010 Woodhaven Drive, Ste. Genevieve, MO 63670
- Thomas Keim, 23050 Southampton, Ste. Genevieve, MO 63670
- Robert Nugent, 8003 Jackson School Road, Bloomsdale, MO 63627
- Thomas Ramer Jr., 240 Gerard Street, Ste. Genevieve, MO 63670
- David G. Weber, 74 Oakwood Drive, Ste. Genevieve, MO 63670
- Glen Weible, 20541 State Route EE, Farmington, MO 63640

Perry County:

- Richard DeWilde, 908 Sunset Drive, Perryville, MO 63775
- Karl Klaus, 916 Sunset Drive, Perryville, MO 63775
- Don Fulford, 1208 Dorothy Drive, Perryville, MO 63775
- Lorna Gibbar, 846 Highway N, Perryville, MO 63775
- Gregory Yamnitz, 609 PCR 624, Perryville, MO 63775

The directors standing for election shall be elected by ballot at each Annual Meeting of Shareholders to serve for three years or until their successors shall have been elected and qualified.

In all elections, each shareholder shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the shareholders. All questions shall be decided by a majority of the shareholders voting thereon in person or by proxy except as otherwise provided by law, the Articles of Incorporation or the By-Laws of the Corporation. Directors may be elected by a plurality vote of the shareholders present in person or by proxy.

- 3. Consideration and vote on a proposition to amend Section 6(b) of ARTICLE I of the Corporation's By-Laws so that when amended, said Section 6(b) will read as follows:**

SECTION 6(b)–Proxy Ballot. ~~After November 19, 2009, t~~The Board of Directors shall, for all annual or special meetings of the shareholders of the Corporation, authorize a Proxy Ballot. Each Proxy Ballot ~~shall~~will allow a shareholder the opportunity to therein specifically direct, authorize and assign to the named proxy holder, the right and duty to vote as indicated by the shareholder on any and all matters to properly come before the meeting. The holder of the shareholder’s proxy shall only vote on all matters as specified by the shareholder on the Proxy Ballot. The Secretary of the Corporation shall be responsible for delivering for mailing~~the~~ Proxy Ballot concurrently with the notice of the meeting either by mail or electronic transmission~~in a separate mailing~~.

4. Consideration and vote on a proposition to amend Section 2(a) of ARTICLE II of the Corporation’s By-Laws to add a subsection (10) so that when amended, said Section 2(a) will read as follows:

SECTION 2–Qualifications. (a) No person shall be eligible to become or remain a director unless they are:

- (1) an individual shareholder of the Corporation or the duly constituted attorney in fact of a corporate shareholder;
- (2) able to enter into legally binding contracts;
- (3) a bonafide resident of the county in which a directorship term will expire or is otherwise vacant;
- (4) not in any way employed by or financially interested in a competing enterprise or a business selling electrical energy, services or supplies to the Corporation;
- (5) in good standing with the Corporation by not owing a delinquent debt to the Corporation during such director’s term of office or within three (3) years prior to becoming a director;
- (6) not a convicted felon, by reason of a court conviction, plea of guilty or plea of no contest;
- (7) not a Close Relative of an employee of the Corporation or any subsidiary thereof while a director and during the thirty-six (36) months immediately before becoming a director;
- (8) not employed by the Corporation or any subsidiary thereof while a director and during the thirty-six (36) months immediately before becoming a director; ~~and~~
- (9) not engaged in a personal relationship with a fellow director or an employee of the Corporation or any subsidiary thereof that could, in the sole judgment of the Board of Directors, interfere with the director’s independent judgment, disrupt or negatively impact the workplace, undermine shareholder’s confidence in the operations of the Corporation, or reasonably create the appearance of a conflict of interest; and-
- (10) not engaged in any transaction or business relationship that could reasonably be perceived as interfering with or dividing the director’s loyalty between the Corporation’s best interests and the director’s personal interests.

The term “Close Relative” as used in these By-Laws means an individual who through blood, law or marriage is a spouse, child, stepchild, father, stepfather, mother, stepmother, brother, stepbrother, half-brother, sister, stepsister, half-sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law or daughter-in-law; or another individual who resides in the same residence. A standing director of the Corporation shall not be considered a Close Relative while serving in the

directorship position because of a marriage or legal action to which such director was not a party.

5. Consideration and vote on a proposition to amend Section 3 of ARTICLE III of the Corporation's By-Laws so that when amended, said Section 3 will read as follows:

SECTION 3—Notice of Directors' Meetings. Unless otherwise set forth in these By-Laws, written notice of the time, place and purpose of any meeting of the Board of Directors shall be delivered to each director not less than five days previous thereto, either personally, ~~electronically~~ via electronic transmission or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President, or the directors calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his address as it appears on the records of the Corporation, with postage thereon prepaid. If sent ~~electronically~~ via electronic transmission, such notice shall be deemed to be delivered when dispatched from the originating electronic device.

6. Consideration and vote on a proposition to add a new Section 4 to ARTICLE IX of the Corporation's By-Laws to read as follows:

SECTION 4—Electronic Documents and Actions. (a) As used in these by-laws, the following terms shall have the meaning set forth herein:

(1) “Electronic” and “Electronically” mean relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities;

(2) To sign an “Electronic Document” means with present intent to authenticate or adopt the Electronic Document, to attach to or logically associate with the Electronic Document an Electronic sound, symbol, or process; and

(3) “Electronic Signature” shall mean an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

(4) “Electronic transmission” includes transmission through: (i) Electronic mail; (ii) the Corporation's website; or (iii) a website or information processing system that the Corporation has designated or uses to send, receive, or transmit Electronic Documents or Electronic information, or to Electronically conduct an action, transaction or activity.

(b) If a member has reasonable access to the applicable or necessary hardware and software, then the member may choose to transact certain business with the Corporation in an electronic format. In such event:

(1) The member consents and agrees to: (i) use, accept, send, receive, and transmit a record, notice, communication, comment, contract with an Electronic Signature or other document regarding an action, transaction or activity with, for, or involving the Corporation (“Electronic Document”); (ii) Electronically conduct an action, transaction, business, or activity with, for, or involving the Corporation; and (iii) Electronically give or confirm this consent and agreement;

(2) The Electronic Document sent or transmitted to, or received or transmitted from, the member satisfies a requirement that the underlying signature, contract, record, notice, communication, comment, or other document be in writing as otherwise required in these bylaws;

(3) Electronically sending or transmitting an Electronic Document to, or receiving or transmitting an Electronic Document from, the member satisfies a requirement that the underlying signature, contract, record, notice, communication, comment, or other document be sent or received personally or by mail.

Except as otherwise provided in these by-laws, an Electronic Document Electronically sent or transmitted to a member or former member at the member's or former member's last known Electronic address is considered sent, received, transmitted, and effective on the date sent by the Corporation. An Electronic Document Electronically received or transmitted from a member or former member is considered sent, received, transmitted, and effective on the date received by the Corporation.

7. All other business which may properly come before the meeting or any adjournment thereof.

The Board of Directors recommends shareholder approval of the revisions, amendments and changes to the Corporation's Article of Incorporation and By-Laws as set forth herein.

ATTEST:

Marion Kertz
Secretary

Richard T. DeWilde
President