

**MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF PEMISCOT-DUNKLIN ELECTRIC COOPERATIVE**

DATE OF MEETING: Friday, February 11, 2008

The Board of Directors of Pemiscot-Dunklin Electric Cooperative met for a special meeting on the above date, at 5:30 p.m. at the Cooperative office on U. S. Highway 412 in Hayti, Missouri. All the Directors attended.

Cooperative President Thomas Fisher presided at the meeting and Cooperative Secretary Delbert DePriest kept the minutes.

The following Directors attended:

Delbert DePriest
Russell DeProw
Thomas Fisher
Danny Glass
George Jordan
Noble Nelson
Betty Jo Pelts
Marty Vancil
Harold Lee Watson

The following persons also attended the meeting:

Charles Crawford, Cooperative Manager
John Hall Dalton, Jr., Cooperative Attorney

1. CONTRACT WITH AMERENUE FOR EXCHANGE OF DISTRIBUTION FACILITIES. The Board discussed the proposed contract with AmerenUE for exchange of distribution facilities. Details of the proposed contract are:

- A. Facilities to be acquired—approximately 90 pole miles of distribution and subtransmission, and four substations, all in Dunklin County, south of Kennett and*

west of the Floodway Ditches, including the cities of Senath, Hornersville, Cardwell and Arbyrd.

- B. *Price:* \$3,732,000, structured as an exchange, where the cooperative will acquire approximately \$3,500,000 worth of transformers from Waukesha, the manufacturer of Ameren's choice, which the cooperative will then transfer to Ameren. The exchange structure will allow a tax savings to Ameren of approximately \$800,000, of which Ameren shared \$400,000 with the cooperative by reducing the price from the original amount of approximately \$4,100,000.00.
- C. *Financing:* The cooperative will borrow the funds for the transaction from CoBank, under a line of credit. The cooperative will draw on the line of credit as necessary to make payments to Waukesha as the transformers specified by Ameren are manufactured.
- D. *Closing:* December 01, 2008, or after transmission is either built or acquired. M&A will start construction of a new substation south of Senath with an estimated completion around September 01, 2008.
- E. *Regulatory approval:* the Public Service Commission must approve the transaction. The proposed contract requires the parties to make a good faith effort to file the application with the Public Service Commission by March 15, 2008.

After extensive discussion, Mr. DePriest proposed, Ms. Pelts seconded and the Board unanimously approved the following resolution:


THE BOARD OF DIRECTORS OF PEMISCOT-DUNKLIN ELECTRIC COOPERATIVE RESOLVES to approve the attached Contract for Exchange of Distribution Facilities with AmerenUE.

- 2. **ADJOURNMENT.** The meeting adjourned at 7:12 p.m.



Delbert DePriest, Secretary

Approved:



Thomas Fisher, President

CERTIFICATION OF MINUTES

I, Delbert DePriest, Secretary, certify:

1. I am the duly elected, qualified and acting Secretary of Pemiscot-Dunklin Electric Cooperative.
2. The foregoing is a true and correct copy of the minutes of a meeting of the Board of Directors of the Cooperative held February 11, 2008, recorded in the Minute Book of the Cooperative.
3. The meeting was duly and properly called, and the Directors received written notice as required by Missouri Law and the Cooperative's Articles of Incorporation and By-Laws.
4. Nine directors were present and acted throughout the meeting.
5. The Board has neither modified nor rescinded any of the above Resolutions.



Delbert DePriest, Secretary

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