

SOUTHWEST MEMBERS CARE INC.

Change for Community Change

www.stemc.com/southwest-members-care-inc

The Southwest Tennessee Electric Membership Corporation board of directors is pleased to announce a new community-oriented program called Southwest Members Care Incorporated

What is Southwest Members Care (SMC)?

SMC is a brand-new opportunity to make a positive change in our community. By simply rounding your electric bill up to the next dollar, you can contribute to

many worthy causes in your local community. This new charitable giving opportunity will be launched in September to assist local community organizations and projects across Southwest Tennessee EMC's service territory.

SMC will collect voluntary donations from Southwest Tennessee Electric Membership

Corporation members to benefit organizations in the cooperative's service area. The monthly bills of participating Southwest Tennessee EMC members will automatically be rounded up each month to the nearest dollar, and the amount collected will be donated to local organizations. For example, if your bill is \$145.50, it will be rounded up to \$146, and 50 cents will be deposited in the SMC trust. The average contribution per member will be approximately 50 cents per month, less than two cents a day. Contributions will range from 12 cents to a maximum of \$11.88 per year. Through a cooperative and unified program, the small change of individuals can add up and make a big difference for our area. Together, we can do some wonderful things for our local communities. With at least 75 percent of Southwest Tennessee Electric's members participating, we can put an average of \$225,000 per year back into the communities where we live, work and play.

Rounding up your electric bill to the nearest dollar can add up and make a big difference for our

Why should I participate?

Working together is the cooperative way. Now you have the potential to join with others to make a greater impact in your community. While it may not seem like

> your spare change can do much, when combined with the efforts of your fellow Southwest Tennessee EMC members, your pennies and dimes can fund projects that will improve the quality of life in our communities.

We hope you will soon see the benefits of SMC in our communities and will want the

program to have as much positive impact as possible.

What if I do not choose to participate?

Members will automatically be opted in at the inception of the program on Sept. 1, 2019, unless they opt out. If you do not feel this program is the place for you to make a difference, we have made opting out simple. Simply complete the opt-out form on our website, www.stemc.com, or call your local office and speak to one of our member service representatives. Members who opt out can always decide to contribute later.

What is the mission?

Cooperatives are governed by a set of principles including the Seventh Cooperative Principle, "Concern for Community." This opt out bill-rounding program, like initiatives adopted by hundreds of electric cooperatives across the country, will allow Southwest Tennessee Electric Membership Corporation members the opportunity to contribute to our community and provide funding for worthwhile endeavors that no one person could do alone. This program will enable us to work together to positively impact the quality of life in our communities.

How are the funds managed?

Southwest Members Care funds will benefit community projects in the 11 counties in STEMC's service area — from Chester County to Tipton County.

SMC will be managed by a board of directors composed of 10 appointed members from throughout the cooperative's service area. The committee will meet quarterly to review applications and select recipients.

How much of the contributions will be donated?

All the funds — 100 percent — will be dispersed by grant. No administrative costs will be taken from SMC.

What are some possible uses for the funds?

Examples of grants for funding would be local fire department equipment, youth and school groups and activities, local arts and education, senior citizen groups and many other community programs and projects. Grants will not be going to large charities; they will stay in our community for the benefit of our community.

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Corporation office, mail to: www.stemc.com/southwes	t Members Care Inc. p Southwest Members (<u>t-members-care-inc</u> .	rogram, please co Care Opt-Out, P.O	omplete the form b 0. Box 959, Brownsv	ille, TN 38012	or complete the form on line	Tennessee Electric Members e at Member Services Representa
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How can my organization apply for a grant?

Any organization in Southwest Tennessee Electric Membership Corporation's service area can apply for funding. Based on the SMC bylaws, contributions will only be made to charitable organizations, groups, corporations and similar entities that provide programs or services that primarily benefit communities within the STEMC service area. No contributions will be given directly to individuals or family units. Grants will be awarded on a regular

basis — at least quarterly.

How do we know where the funds go?

All recipients of the administered funds will be printed in *The Tennessee Magazine* and on our website. There will also be an annual audit for the SMC fund. Until

the funds are distributed, they will be placed in an SMC trust fund.

Who distributes the funds donated by Southwest Tennessee Electric Membership Corporation members?

The SMC board oversees charitable giving. The board is composed of 10 members appointed by Southwest Tennessee Electric Membership Corporation's board of directors. The SMC board is responsible for reviewing applications and dispersing

funds to local community organizations and projects.

SMC board members volunteer their time and receive no pay or compensation for serving on the board. The directors will have staggered terms.

If you have questions about the application process:

Please contact your local Southwest Tennessee Electric Membership Corporation office with any questions.

Southwest Members Care Inc. is just one more way your local electric cooperative is connecting communities.

Members participating in SMC will donate an average of 50 cents per month.