



POLICY NO. 108

SUBJECT: STANDARDS OF CONDUCT

I. PURPOSE

To establish the standards, rules and procedures under which the Board members shall perform their duties.

II. POLICY CONTENT

All of the powers of the Cooperative may be exercised by the Board of Trustees except as conferred upon the members by law, the Certificate of Incorporation, or the Cooperative's Bylaws. This policy establishes certain standards under which such powers will be exercised in the best interests of the Cooperative.

A. General Conduct of Board Members

Board members should conduct themselves, personally and professionally, in accordance with the highest ethical standards.

B. Conduct with Respect to Fellow Board Members

Regardless of the personal relations or differences between Board members, they should respect each other in the following ways:

1. Each Board member should allow ample opportunity for every other Board member to speak on any matter being considered by the Board of Trustees and listen carefully to the opinions and factual observations of the other Board members.
2. Except when in the best interest of the Cooperative, Board member shall not reveal differences of position among Board members on matters considered and acted upon by the Board of Trustees, except to other Board members or the Chief Executive Officer. This standard applies to informal as well as formal communications.

C. Board Member Access to Cooperative Information

The President shall approve a Board member's request to obtain access to information which is reasonably germane to his/her standing as a Board member and which is requested for a proper purpose. The President shall take such actions as are necessary to provide a timely response to the Board member's request. Notwithstanding the forgoing, Board members shall obtain guidance and access from the Cooperative's legal Counsel if the request would pertain to concerns of actual or potential criminal activity involving the President.

Access to Cooperative information is subject to the following conditions:

1. Requests for information shall be made as set forth in this policy. In no case shall a Board member seek to obtain information through the Cooperative's employees, agents or independent contractors. Any employee facing such a request is required to notify the President or the General Manager concerning the matter.
2. Information received by a Board member pursuant to this policy shall not be revealed to any other individuals, unless the Board member is sincerely convinced that to do so is compelled by law or the overriding best interests of the Cooperative.
3. A Board member shall not disclose information received pursuant to this policy if the effect of such disclosure is to damage the Cooperative or the public's perception of the Cooperative.

D. Loyalty to the Cooperative

A Board member owes a duty of loyalty to the Cooperative and should, therefore, abide by Board decisions. Debate and differences of opinion are inevitable when reaching a consensus; however, such differences should remain within the Board room.

E. Good Faith and Fair Dealing

Every Board member shall act in good faith and commit to fair dealing with every other Board member and the General Manager in all matters relating to Cooperative business. Good faith and fair dealing require:

1. That Board members reveal all information or interests which they may have that may bear upon action being considered by the Board of Trustees or the General Manager;
2. That Board members will not pursue a position, inquiry, recommendation, or motion for the purpose of harassing or annoying other Board members or the General Manager; and

3. That Board members' communications with employees other than the General Manager, if made at all, shall be casual and conducted on a friendly and courteous basis. Communications with employees shall not be for the purpose of influencing any employee's position or attitude concerning Cooperative-related activities, seeking Cooperative information, or otherwise have the purpose or effect of interfering with the usual and customary chain-of-command between management and employees.

F. Non-Discrimination and Anti-Harassment

Board Members shall refrain from engaging in discriminatory or harassing conduct with respect to a Member or other person's race, color, religion, national origin, gender, age, disability, veteran status or any other category subject to legal protection under any applicable Federal or State law.

III. RESPONSIBILITY

- A. This policy shall be the responsibility of the Board of Trustees, except as otherwise provided for herein by the General Manager or General Counsel.
- B. The Ethics Committee shall monitor compliance with the requirements of this policy, bringing potential violations to the attention of the offending party and, if necessary, the Board of Trustees.
- C. The Board of Trustees shall be responsible for the enforcement of this policy and may take such actions as are reasonable to assure compliance, including, but not limited to censure and sanctions appropriate to any violation of this policy by a Board Member.

APPROVED BY THE BOARD OF TRUSTEES

PRESIDENT

EFFECTIVE DATE: _____

REVISED DATE: _____