



POLICY NO. 111

SUBJECT: ETHICS AND CONFLICTS OF INTEREST IN OUTSIDE BUSINESS AND RELATED ACTIVITIES

I. PURPOSE

To provide Trustees with guidelines for their participation in non-Cooperative business activities.

II. POLICY CONTENT

The Board of Trustees recognizes that situations may arise when Trustees wish to be involved in non-Cooperative business activities. Examples of such activities may include, but are not limited to: membership on boards of other companies; an active interest in the ownership and management, in whole or in part, of other companies; and serving as independent consultants.

Trustees must refrain from outside activities that might, in any way, either detract from the Trustee's performance or effectiveness or create a conflict of interest. Therefore, no Trustee may place himself/herself into a non-Cooperative business relationship, investment, or other activity where his/her actions are not in the best interests of the Cooperative, unless prior approval has been obtained from the Board after full disclosure.

III. PROVISIONS

- A. A Trustee's outside activities must not create a conflict of interest with the Trustee's responsibilities to the Cooperative.
- B. Trustees are expected to exercise discretion and good judgment in determining whether ethics and/or conflict of interest issues arise as a result of their non-Cooperative business activities. Whenever there is any question as to a possible conflict, Trustees should submit details of proposed non-Cooperative business activities to the Board for its approval before becoming involved in the activity.
- C. This policy does not apply to activities, memberships, officerships, or Trusteeships in utility industry organizations, whether national, state, or local.

IV. RESPONSIBILITY

The Board of Trustees is responsible for the administration of this policy.

APPROVED BY THE BOARD OF TRUSTEES

PRESIDENT

EFFECTIVE DATE: _____

REVISED DATE: _____