

Tanner Electric Cooperative

ATTENDANCE AT BOARD MEETINGS BY MEMBERS OR OTHER PERSONS

I. OBJECTIVE

To establish appropriate procedures relating to member attendance at Board meetings.

II. POLICY

This Cooperative Corporation is owned by the members it serves. Members of the Cooperative Corporation elect the members of the Board of Directors, who are in turn charged with the exclusive responsibility to oversee the affairs of the Cooperative and to set policies for the management of the Cooperative and to select a General Manager to run the day-to-day business of the Cooperative.

The purpose of this structure is to provide a Board comprised of a small number of members of the Cooperative, who are elected by the members, to efficiently and prudently represent all members in conducting the business and affairs of the Cooperative. For the Board to fill this representative function it must be able to consider and deliberate the business and affairs of the Cooperative in an orderly, efficient, and sometimes confidential manner.

Notwithstanding this representative structure, members of the Cooperative may wish to attend a Board meeting for the purpose of presenting an issue for consideration to the Board, or observing the Board's deliberation concerning some issue or concern regarding the business and affairs of the Cooperative. The purpose of this policy is to establish procedures which will accommodate members' desire to attend a Board meeting, but at the same assure that such attendance does not unduly encumber the Board in its duty to make prudent, well-considered and fully deliberated decisions in the management of the business and affairs of the Cooperative, as well as to maintain confidentiality when it is required in the best overall interest of the Cooperative.

Accordingly, the following policy and procedures for member attendance at Board meetings are established:

- A. A member desiring to attend a Board meeting shall complete and sign the attached form of request and shall submit it to the President, General Manager or the Secretary of the Cooperative, not less than seven (7) business days prior to the scheduled meeting of the Board of Directors which the member desires to attend. (The monthly meeting of the Board of Directors is normally held at 6:00 p.m. on the third Tuesday of each month.) The President may approve or deny the request as he/she may deem appropriate under the circumstances, or refer it to a Committee of the Board, or to the full Board for consideration. If the request is approved, subject to the provisions outlined below, a member may attend a Board meeting for the following purposes:
1. To present a specific request or recommendation to the Board or to bring a complaint before the Board, provided the member has made a good faith effort to resolve the complaint with the Cooperative's management, provided, billing disputes or operational decisions involving individual customers or other routine day to day management activities are generally not appropriate to submit to the Board. If the request is denied, the reason for denial shall be communicated to the Member.
 2. To observe one or more particular items on the agenda.
- B. A member may not be allowed if the member's attendance is for an unlawful purpose or:
1. The member fails or refuses to complete, sign and submit the prescribed Request to Attend Board Meeting Form.
 2. If the attendance is to present a request or recommendation to the Board and the member has not previously presented the request or recommendation to the Cooperative's management and allowed reasonable time for a response.
 3. If the attendance is to bring a complaint before the Board, the member has not made a good faith effort to resolve the complaint with the Cooperative's management and allowed reasonable time for the matter to be resolved.
 4. The attendance is for a purpose which is not reasonably related to the business of the Cooperative.

5. The attendance is for a dishonest purpose, is inimical to the lawful interest of the Cooperative, or is for a purpose not reasonably germane to the interest of the member.
 6. If the number of members desiring to attend a Board meeting exceeds the reasonable capacity of the Board Room to accommodate same.
 7. If the attendance could result in disclosure of information which a member is not entitled to receive, including any information that constitutes "Confidential Information." For purposes of this policy "Confidential Information" includes, without limitation:
 - a. Personal information about Members of the Cooperative, including their name, address, telephone number, Social Security number or other personally identifying information, credit information, payment history, as well as information related to the configuration and type of service provided to any Member, the amount of a Member's use of service, the products subscribed to by the Member and other information about the Member and/or his or her property.
 - b. Personnel information about any Tanner employee.
 - c. Any other information the disclosure of which the Board deems would have an adverse impact on the Cooperative or on any Member or the disclosure of which would violate any Board Policy, Employee Policy or Customer Service Policy of Tanner.
- C. When one or more members attend a Board meeting, the following procedures and protocol will be followed:
1. Such member(s) shall be seated away from the Board conference table so that their physical proximity will not impair or interfere with the Board's deliberation and conduct of the business affairs of the Cooperative.
 2. If a Member's purpose in attending a Board meeting is to present a specific matter for consideration by the Board, the Board will hear such presentation including asking questions and discussing the matter as it deems appropriate. However, the Board, in order to assure complete open and candid discussion between the Board members, can decide not to discuss, respond or take action with respect to such matter or inquiry until after such member or person has left the Board meeting. In such event, however, the Board shall

after deliberating such matter, promptly notify the member or person of any actions taken, or that no action will be taken as the case may be.

- D. Notwithstanding the foregoing, no member shall be entitled to attend an Executive Session of the Board. The Board may convene in Executive Session of the Board at any time for any one or more of the following purposes:
1. For consideration of a pending or threatened lawsuit or claim against the Mutual Corporation.
 2. For consideration of personnel issues.
 3. For consideration of Confidential Business information. For purposes of this policy, "Confidential Business Information" includes, without limitation, information about vendors, procurement, relationships with banks or other lenders, business and business development plans and strategies, information constituting or relating to research, development, trade secrets, know-how, inventions, technical data, intellectual property, property acquisition plans, collective bargaining strategies and/or negotiations or any other information the use or dissemination of which the Board deems could have an adverse impact on the Cooperative or any subsidiary.
 3. For consideration of matters, which if disclosed to members desiring to attend a Board Meeting would:
 - a. Violate any person's right to privacy or violate any agreement with third parties with respect to trade secrets,
 - b. Adversely affect the Cooperative in its negotiations or in any business dealings with third parties, including vendors, contractors, labor unions or other individuals, persons or entities with which the Cooperative has or may enter into any agreement.
 - c. Adversely affect the Cooperative out of proportion to the possible competing interest of the member attending a Board meeting.
 - d. Violate the privilege of confidential communication between the Cooperative and its attorney.

- 4. For any other lawful reason.
- E. Non-members may attend Board meetings only if specifically invited by the Board of Directors, or if they are legal counsel representing or other duly authorized representative of a Member who shall speak on behalf of or assist such Member.
- F. Should a disagreement arise between the Board of the Cooperative and a Member as to Member's right to attend a Board meeting, the decision of the Board as to whether the request meets the requirements of this policy shall be final.

III. RESPONSIBILITY FOR ENFORCEMENT

- A. Board of Directors. It shall be the responsibility of the President and the full Board of Directors to review Member requests and make decisions as to whether a request to attend a Board meeting complies with this Policy.
- B. General Manager. It shall be the responsibility of the General Manager to otherwise administer this policy and to develop appropriate procedures and rules for its administration as directed by the Board.