



Subject: Conflict of Interest Policy		Policy No.: 137
Original Issue: 01/25/2013	Last Revised: 02/15/2017	Last Reviewed: 02/15/2017
		Page: 1 of 2

PURPOSE

Ensure that the Jemez Mountains Electric Cooperative, Inc. (JMEC) Board of Trustees (BOT) and Management are kept aware of personal and business relationships of members of the BOT and key JMEC personnel in order to avoid situations that may result in or give the appearance of conflicts of interest. In addition, this policy is to ensure that the BOT and Management of JMEC are informed of anything which may result in a claim against JMEC.

ACCOUNTABILITY

Each member of the BOT, the General Manager, the General Counsel, and each Trustee is considered a "Reporting Person" and must complete and file with the President of the BOT a Disclosure Report (Attachment A), within thirty (30) days after attaining such position or status and then annually thereafter. The Disclosure Report must be kept current by the filing of a Supplemental Report showing any change of Personal or Business Relationship within thirty (30) days after such relationship changes. Management shall provide this policy and attachment to the BOT at the first regular board meeting following the annual meeting so they may review and sign.

The President of the BOT of JMEC will report by the November Regular Board Meeting each year that he or she has received Disclosure Reports from all Reporting Persons signed and dated by October 15 of any of the current year. Access to information in such reports shall be restricted to the BOT, the General Manager of JMEC, and the JMEC independent auditors.

SCOPE

It is the policy of JMEC that each Trustee and key employee of JMEC, as defined herein, must disclose all personal and business relationships that could influence decisions related to the operations and management of JMEC, as well as relationships that could give the appearance of influencing such decisions. It is also the policy of JMEC that each Trustee and key employee of JMEC must disclose all matters which could give rise to a potential claim against JMEC.

POLICY

1. Disclosure shall be accomplished by filing the foregoing Report with the President of the BOT of JMEC and in completing the same, the following principles will apply:
 - a. A statement of how the relationship has influenced, will influence, or gives the appearance that it has influenced or will influence decisions on behalf of JMEC, the name and address of the business or activity, etc.
 - b. A brief description of the functions of the business or activity, etc. (e.g., farming, ranching, retail lumber, consulting, etc.).
 - c. A brief description of the relationship which the Reporting Person has with the business or activity, etc. (e.g., owner, officer, director, shareholder, employee, etc.).
 - d. A description of any form of influence exercised by the Reporting Person over the management, policies, or operations of the business or activity, etc., not covered elsewhere in these requirements, and of any form of influence exercised by the business or activity, etc., over the Reporting Person (for example: consultant contract; agency agreement; trustee; etc.).
2. If a Trustee wishes to make disclosure of certain information to the full BOT, he or she may do so by informing the President of the information he or she wishes disclosed, and the President then will furnish such information to the other BOT members, either verbally or in writing, as the President desires. If the Trustee desires that such information be kept confidential by the other Trustees, he will inform the President of such fact before disclosure is made, and the information provided by the Trustee then will be furnished by the President to the other Trustees only in Executive Session. Alternatively, a Trustee may furnish such information directly to the other Trustees, either personally



BOARD OF TRUSTEES POLICIES

Subject: Conflict of Interest Policy			Policy No.: 137
Original Issue: 01/25/2013	Last Revised: 2/15/2017	Last Reviewed: 02/15/2017	Page: 2 of 2

or in writing; but the furnishing of such information does not affect the obligation of the Trustee to furnish a Disclosure Statement as required elsewhere in this Policy. In any event, the fact of such a disclosure, other than the furnishing of a Disclosure Statement, will be noted in the Minutes of either the BOT meeting or in the Minutes of the Executive Session wherein such disclosure took place.

3. For each Potential Claim of which the Reporting Person is aware, disclosure will be accomplished by filing with the President of the BOT of JMEC a statement that includes:
 - a. A description of the act, omission, or breach of duty which may result in a claim against JMEC, including sufficient information, and documentation if any, to enable JMEC to investigate the matter.
 - b. A statement to the date, time, and place of the incident, the name(s), address(es), and phone number(s) of the person(s) involved, and the nature of the incident.

DEFINITIONS



A "Personal or Business relationship" will include any one or more of the following:

1. Serving as an employee, manager, director, or consultant of any organization with which JMEC does or may do business as a seller, purchaser, competitor, etc.;
2. Owning any interest in any organization with which JMEC does or may do business as a seller, purchaser, competitor, etc.;
3. Serving as a creditor of any organization with which JMEC does or may do business as a seller, purchaser, competitor, etc.;
4. To the extent not mentioned above, having any ownership interest, office, or position in any organization of whatever kind, or the ownership of any beneficial interest in, real estate, consulting contract, or trusteeship which could influence or which could give the appearance of influencing the Reporting Person's decision-making on behalf of JMEC.

A "Key JMEC Personnel" will include any one of the following:

1. General Manager, Directors, and Supervisors.

[Attachment A follows]

	Chairman of the Board	Date: <u>3/28/17</u>
	Policy Committee Chair	Date: <u>3/28/17</u>



BOARD OF TRUSTEES POLICIES

ATTACHMENT A TO BOARD POLICY 137

JEMEZ MOUNTAINS ELECTRIC COOPERATIVE, INC.

PERSONAL AND BUSINESS RELATIONSHIPS AND POTENTIAL CLAIMS DISCLOSURE REPORT

Jemez Mountains Electric Cooperative, Inc. (JMEC) Disclosure Policy requires disclosure of business relationships of Board of Trustees and key personnel in order to avoid such situations that may result in conflicts of interest. Consequently, all such persons must at least annually disclose such relationships in accordance with the policy (refer to the attached BOT Policy 137).

For any business or activity which provides goods or services to JMEC, or competes with JMEC, do you:

Table with 2 columns: Question, YES, NO. Rows include: have influence over management, policies, or operations?; have a consultant, agency, or loan contract?; own in whole or in part, hold share, or hold office?; hold a capacity as an employee or agent (including consulting duties)?

If Yes (give details below):

Table with 3 columns: Name of Business or Activity, Address, Your Role in the Business. Three rows of blank lines for input.

The foregoing Policy also requires disclosure of incidents which may result in a claim against JMEC. Do you have any knowledge or information of any act, omission, or breach of duty which you reasonably expect could give rise to a claim against JMEC?

___ No

___ Yes (give details below, including):

- 1. A description of the act, omission, or breach of duty which may result in a claim against JMEC, including sufficient information, and documentation if any.
2. A statement as to the date, time, and place of the incident, the name(s), address(es), and phone number(s) of the person(s) involved, and the nature of the incident.

Your JMEC Relationship

Your Signature

Date