

Board of Directors Policy

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| Subject: Campaign Finance Reporting Requirements | | | Policy No: 107 |
| Original Issue: 1/16/19 | Last Revised: 1/16/19 | Last Reviewed: 1/16/19 | Page 1 of 3 |

I. OBJECTIVE

To establish guidelines under which candidates for the La Plata Electric Association, Inc.'s, (Cooperative's) Board of Directors will disclose monetary and in-kind contributions to the candidate's campaign in accordance with the requirements set forth in Article III, Section 2 of the Cooperative's Bylaws.

II. POLICY

A. Disclosure Requirement.

1. All candidates running for a position on the Cooperative's Board of Directors shall disclose all monetary and in-kind contributions, received by the candidate or paid at the request or through coordination with the candidate, whose individual value is greater than \$20.
 - a. For purposes of this Policy, "in-kind contributions" shall mean all non-monetary contributions, except for time spent by individuals who are volunteering their time on behalf of the candidate and do not receive any compensation for such volunteer services.
 - b. The fair market value of an in-kind contribution shall be used to determine the value of the contribution for the purpose of disclosure. For purposes of this Policy, "fair market value" shall mean the price that a seller is willing to accept and a buyer is willing to pay on the open market and in an arm's-length transaction. Goods or services offered for free or at less than the usual charge result in an in-kind contribution. Similarly, when a person or entity pays for services on the candidate's behalf, the payment is an in-kind contribution.

B. Reporting Requirement.

1. All candidates shall complete periodic Campaign Donation Reports (Report), utilizing the form set forth in Exhibit 1, attached to this policy.

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2. The Report shall be signed by the candidate and submitted to the Chair of the Election Supervisory Committee. For purposes of this section, the candidate may submit the Report electronically to the Chairman of the Election Supervisory Committee to ESC-Chair@lpea.coop, and the candidate's electronic submission shall be deemed to be his/her signature on the Report. The candidate shall receive instructions on how to submit the Report when the candidate picks up the candidate packet from the Cooperative.
3. Candidates shall submit Reports according to the following time table:
 - a. An initial Report shall be submitted no sooner than 15 days and no later than 10 days prior to the date of the election; and
 - b. A final Report shall be submitted no later than 10 days following the election.

C. Role of the Election Supervisory Committee and Cooperative

1. The Chair of the Election Supervisory Committee shall be responsible for collecting and maintaining all Reports submitted by the candidates. Copies of all Reports shall be delivered to the Cooperative's Chief Executive Officer (CEO) no later than three business days following receipt of a Report and the Cooperative shall publish the Reports on the Cooperative's website and make copies of the Reports available for the membership, media, and general public upon request.
2. The Election Supervisory Committee shall be responsible for i) reviewing all Reports, ii) submitting the Reports to the CEO, iii) resolving any disputes on the interpretation of this policy during the election process, and iv) submitting a final report on the timeliness and accuracy to the Board of Directors at the first regular Board meeting following the due date of the final Report of the candidates.
3. The Cooperative shall send all candidates a one-week reminder prior to the due date of any Report and shall send the candidate an acknowledgement email when a Report is received.

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D. Consequences for Failing to File Reports

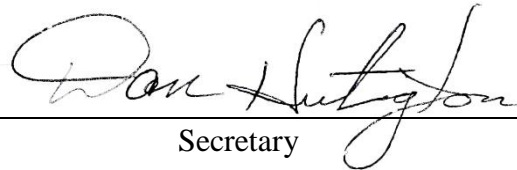
1. Any candidate that fails to submit timely and accurate Reports to the Election Supervisory Committee may be subject to disqualification to run for future elections for the Board of Directors. The Board of Directors shall be responsible for determining future disqualification and may remove eligibility by a three-fourths vote of disinterested directors present at a validly called meeting of the Board of Directors.
2. Any candidate who is elected to the Board of Directors, now a Director, who fails to submit timely and accurate Reports may no longer be eligible to serve on the Board. The Board of Directors shall be responsible for determining whether said Director is eligible to continue serving on the Board of Directors pursuant to Article III, Section 2 of the Bylaws. That director may be removed by a three-fourths vote of disinterested directors present at a validly called meeting of the Board of Directors.

III. RESPONSIBILITY

The Board of Directors are responsible for the administration of this Policy and so appoint the Election Supervisory Committee to carry out the terms of this Policy.

1/16/2019

Date



Secretary

