

UTILITIES DISTRICT OF WESTERN INDIANA REMC TRANSPARENCY POLICY (Member requests for Cooperative information)

UDWI REMC enacted its first Transparency Policy to make Cooperative information more accessible to members, while still allowing staff and the Board of Directors to fulfill their duties and efficiently run the Cooperative.

- This policy provides guidance on the types of information that members may access, as well as information that will not be released because of confidentiality, legal or safety-related issues.
- In regard to the information deemed “available and accessible to members,” UDWI REMC is in the process of determining which items will be placed on the Cooperative website for instant access and which items will be available upon oral or written request. (Please note that loading information onto the UDWI REMC website will take time to complete and will be done in multiple phases.)
- When requesting information, members may be asked to provide proof of identity, and any documents made available to a member may not be used for commercial use.
- The Cooperative reserves the right, in its sole determination, to have its attorney or one or more of its personnel present during all times that a member is reviewing or copying information or data.
- Such information and data will be made available to the requesting member during normal business hours in a timely manner so that providing such information shall not interfere with the proper activities of the Cooperative.
- Information photocopied will be charged at a fee of \$0.05 per page requested. Management will not assemble data in any form other than which it exists.

UTILITIES DISTRICT OF WESTERN INDIANA RURAL ELECTRIC MEMBERSHIP CORPORATION

BOARD POLICY NO. 108.0

SUBJECT: MEMBER REQUESTS FOR COOPERATIVE INFORMATION

I. OBJECTIVE

The objective of this policy is to describe the policy and procedures of Utilities District of Western Indiana Rural Electric Membership Cooperative (“UDWI REMC” or the “Cooperative”) with respect to member accessibility to information about the Cooperative, the types of information that may not be released because of its special or confidential nature, and the fiduciary duties of Cooperative directors and management with respect to the provision of Cooperative information.

II. CONTENT

It is the policy of the Cooperative to demonstrate transparency and accountability and to conduct its affairs in a forthright manner, with a primary objective of having a well-informed and educated membership. At the same time Cooperative directors and management shall fulfill their fiduciary duties to the Cooperative so that the best interest of the Cooperative and its members are fulfilled. In furtherance of these goals, the Cooperative hereby states its policy regarding members’ access to information about the Cooperative.

III. PROCEDURE

- A. The following provisions shall govern disclosure of Cooperative documents to the members.
- 1) A member requesting receipt of documents may be required to submit proof of identity.
 - 2) Documents made available to the member may not be used for commercial use.
 - 3) Any member may inspect of study documents available for disclosure at UDWI’s office. Copies will be made available within a reasonable amount of time.
 - 4) Any duplication requested will be done by UDWI staff. UDWI may charge a fee of \$0.05 per page for said copies.

- 5) Management shall have no responsibility to assemble data in any form other than in which it exists.
- B. The Cooperative will make the following information and data available to members upon oral or written request. Information may be made public via the cooperative website at the discretion of the CEO.
- 1) The Cooperative's bylaws;
 - 2) The Cooperative's board policies;
 - 3) The Cooperative's privacy policy and non-discrimination statement;
 - 4) The approved minutes of prior board meetings;
 - 5) The approved minutes of member meetings;
 - 6) The final full annual audit report of the independent auditor;
 - 7) Contact information for current directors, including district represented and email address;
 - 8) A directory of key staff, including email address;
 - 9) The final full annual audit report of subsidiary HHM, LLC; and
 - 10) The Cooperative's current rate schedule and summary of final rate design;
 - 11) The Cooperative's Service Rules and Regulations;
 - 12) Publications by the Cooperative for general distribution for the previous 3 years;
 - 13) The annual financial report provided to members at the annual meeting;
 - 14) The Cooperative's prior rate schedules for the previous 5 years;
 - 15) The final IRS Form 990 filed by the Cooperative;
 - 16) An individual or joint member's patronage account, electric usage and payment account information when properly requested by that member;
 - 17) Number of employees and job titles for each position;
 - 18) Outage data;

- 19) Donations, sponsorships, and political contributions;
- 20) Corporate policy regarding the retirement of patronage capital;
- 21) List of member names, addresses, and location numbers for a specific board district, for the limited purpose of obtaining petition signatures to run for a board position.

Such information and data will be made available to the requesting member during normal business hours in a timely manner so that providing such information shall not interfere with the proper activities of the Cooperative.

C. Some information, due to its confidential or sensitive nature, will not be made available by the Cooperative. At the sole discretion of the CEO, such information may be reviewed by a member after demonstrating a legitimate reason to review the data and upon execution of a Non-Disclosure Agreement attached hereto as **Exhibit B**. The CEO shall fully consider his or her fiduciary duties to the Cooperative when making this decision. Such information includes, but is not limited to:

- (1) Information or data in relation to any threatened, pending, or settled lawsuit against the Cooperative or any of its officers or employees, except upon appropriate subpoena, court order or upon the advice of counsel;
- (2) Information that is prohibited from disclosure pursuant to statute, regulation, or judicial or agency order;
- (3) Information or data that may invade any member, employee, or other person's privacy, including but not limited to and employee's employment file or the contents of internal investigations conducted as a result of an employee complaint;
- (4) Information that would disclose a third party's confidential, proprietary or trade secret information or violate any agreement to maintain the confidentiality of third party information;
- (5) Information, reports, or communications that, if disclosed, would adversely affect the Cooperative in its negotiations with third parties for any purpose;
- (6) Information, reports, or communications that, if disclosed, would impair the physical safety of employees, members, or Cooperative property, increase the risk of a cyber-security breach or other unintentional disclosure of employee, member, and Cooperative information;
- (7) Information, reports, or communications about competitively sensitive business planning activities, such as future procurement or construction

contracts, proprietary research or analyses, future development plans and business opportunities;

(8) The specific information listed on **Exhibit C**, which may be amended by the Board from time to time in its sole discretion.

(9) Minutes of Executive Sessions of the Board of Directors.

D. With respect to all items covered under Sections III.C the Cooperative reserves the right, in its sole determination, to have its attorney or one or more of its personnel present during all times that a member is reviewing or copying such information or data.

IV. RESPONSIBILITY

A. It shall be the responsibility of the Chief Executive Officer to administer this policy.

B. It shall be the responsibility of the Board of Directors to periodically review this Policy and to make any amendments that the Board, in its sole discretion, and in accordance with its fiduciary duties to the Cooperative, believes to be appropriate.

Michael E. Williams, President

Attested: _____
Douglas Childs, CEO

DATE APPROVED: 12-18-2017

Reviewed: 09-24-2018

Exhibit A

REQUEST FOR INFORMATION OR DATA

I, the undersigned, hereby state that I am a member in good standing of the Cooperative. The information or data I hereby request is for no one's use other than mine except as stated below. The specific information I am requesting is as follows:

The purpose for which I request the foregoing specified information is specifically as follows:

The sole use to which I intend to put the requested information is specifically as follows:

If applicable, I intend to provide such information to my attorney and/or accountant who is/are listed below, including their name(s), address(es), phone number(s) and relationship (i.e. attorney or accountant).

I hereby covenant that, if required by the Board of Directors of the Cooperative in order to receive the information and data requested, I and any other designated party will execute a Confidentiality and Use Statement for Information and Data.

Signature

Date

Exhibit B

CONFIDENTIALITY AND USE STATEMENT FOR INFORMATION AND DATA

I, the undersigned, understand, acknowledge and agree that I have been provided information and/or data which is nonpublic, confidential or proprietary (the "Information"), but is available to me due to my specific written request for such Information as a member of _____ Rural Electric Membership Corporation (the "Cooperative") or my receipt of the Information as the attorney or accountant of such member. Further, I understand, acknowledge and agree that such Information may, if publicly disseminated, damage the Cooperative or its interests. Thus, I hereby agree to the following:

1. I agree to keep confidential the Information except for use in a manner consistent with the use specifically set forth in my request for information and data or that of my client. Further, I agree that such Information shall not be used in any manner whatsoever except as specifically set forth in the request for information and data.

2. The term "to keep confidential," as used herein, means that the Information shall not be: (i) disclosed, discovered or distributed by me to any other person, firm, organization or entity except in a manner which is consistent with the request for information and data; and (ii) utilized by me except in a manner which is consistent with the request for information and data.

3. In the event that I intend to disclose such Information to any person, firm, organization or entity not specifically designated in the request for information or data, then I agree that I will notify the Cooperative prior to such disclosure and shall not disclose such Information until receiving written authorization from the Cooperative.

4. I acknowledge, understand and agree that each unauthorized disclosure of Information by me or by any other person, firm, organization or entity that receives such Information from me, due to or as a result of my disclosure shall constitute a separate violation for which I am liable and shall pay liquidated damages. The number of violations shall be determined by the ultimate number of recipients of such Information with the Information being provided to each recipient constituting a separate violation.

5. I acknowledge, understand and agree that damages for a violation of this Confidentiality and Use Statement are not susceptible to calculation and, therefore, I agree that for each and every violation of this Confidentiality and Use Statement I shall pay to the Cooperative liquidated damages in the amount of One Thousand and 00/100 Dollars (\$1,000.00).

Signature

Date

Exhibit C

UDWI REMC Policy No. 108.0

1. Non-public reports, communications, financial information, or meeting minutes of 3rd party entities.
2. Cooperative load requirement information or work plans.
3. Cooperative employee information that includes:
 - Salary and benefits information, personnel files, information about employee complaints, employee handbook, UDWI safety manual, or labor agreement.
4. Staff reports delivered to the board that include:
 - Information Technology, Human Resources, KRTA Financial Ratios, Safety Report, Vehicle Maintenance.
5. Vendor information that includes:
 - List of current vendors and/or contractors, copies of vendor contracts, RFP solicitation letters, RFP staff analysis, RFP staff summaries and recommendations, detailed information about payments to vendors or contractors, including work performed, annual summary of work performed.
6. Accounting and finance information that includes:
 - Draft audit report information prior to board acceptance, documents and information supporting the annual audit report, special audits conducted at the request of management or the board, tax returns other than the IRS form 990.
7. Rate design or Cost of Service Studies prepared in-house or by a third-party consultant.
8. Any and all HHM, LLC. subsidiary information other than the full and final annual audit report of the independent audit accepted by the board, unless granted permission by the HHM, LLC. board of directors.