

LAKE COUNTRY POWER

BOARD GOVERNANCE POLICY 113 **DIRECTOR ELECTION RULES**

Date Approved By The Board: October 26, 2015

A. PROVISIONS:

No candidate for the board of directors, nor an incumbent director, whether a candidate or not, shall knowingly or intentionally engage in any of the following activities, nor shall any such candidate or director conspire, solicit, or arrange for any member or group of members to engage in such activities:

1. Cast more than one ballot per member;
2. Alter or tamper with a ballot sent to a member;
3. Duplicate a ballot sent to a member;
4. Distribute a ballot to a member by any unauthorized means;
5. Make a false statement that the candidate is supported by another person or organization or make a statement in written materials that the candidate is supported by another person or organization without having first obtained the written permission from that person or organization;
6. Make a false statement about another candidate or a candidate's position on an issue involving Lake Country Power;
7. Use the term "re-elect" in connection with the election for directors, unless the candidate is an incumbent director;
8. Threaten, coerce, restrain, or exercise undue influence over the casting of a ballot
9. Threaten, coerce, restrain, or exercise undue influence over an employee of Lake Country Power to obtain the assistance of the employee in the candidate's election campaign;
10. Accept a financial contribution or other financial assistance from a person, corporation, or entity;
11. Disseminate, publish, or circulate any campaign materials without a statement of the name and address of the candidate or the candidate's committee responsible for the preparation, dissemination, publication, or circulation of such materials. The statement shall read: "Prepared and paid for by (name and address of candidate or candidate's committee);"
12. Offer any item of monetary value to a member to induce the member to vote for a particular candidate, or on an issue in a particular way;
13. Use the Lake Country Power logo or letterhead on any campaign materials;
14. Campaign at Lake Country Power facilities; and
15. Place campaign posters or distribute campaign literature or signs on the grounds of or in the building where the annual meeting is held.

B. RULE ENFORCEMENT PROCESS

Any member who believes that a candidate or director has violated any director election rule ("Complainant") may file a written complaint ("Complaint") with the Lake Country Power Board of Directors at the corporate offices of the Cooperative, together with any documents in support of the Complaint. The Complainant must

also send a copy of the Complaint to the candidate or director against whom the Complaint is made (“Respondent”). The Board of Directors will promptly investigate the Complaint and set a hearing on it as soon as possible.

The Complainant and Respondent shall be entitled to appear at the hearing with counsel and present evidence for and against the charges made in the Complaint. The Complainant shall bear the burden of proof. Promptly after the hearing, the Board of Directors shall determine whether there is clear and convincing evidence that a violation of an election rule was committed. If the Board determines that a violation was committed, it shall prescribe the penalty to be imposed for the violation, considering the nature and severity of the violation. The penalty must be appropriate to the violation committed.

Penalties may include:

- An order to cease and desist from violating the rule,
- A reprimand, a censure, a disqualification of the Respondent’s candidacy,
- A recommendation that the director resign or be removed from office,
- Or such other penalty as the Board determines is appropriate.

C. OVERSIGHT

In interpreting and applying the provisions above, the Cooperative will be guided by the principles of Minnesota election law, including its statutes and court decisions.

D. MEMBERSHIP LIST AND MAILING LABELS

If individual candidates pursue campaign mailings independent of co-op election ballots and biographies, the Cooperative (upon candidate request and following receipt of payment) will provide an electronic file (by district) directly to an independent CASS-certified* mailing service selected by the candidate. To safeguard member privacy, candidates will not receive membership lists or data from the cooperative. An electronic file will be provided directly to a CASS-certified mail service only for the printing of mailing labels and subsequent candidate mailing. Fees will be the responsibility of the candidate as follows:

- \$100 payable to Lake Country Power for generating, processing and coordinating member district data with a CASS-certified independent mailing agency.
- Timelines, sequence and processes for candidate mailings; postage, handling fees and/or any other charges for candidate campaign mailings are the responsibility of the candidate in conjunction with an independent CASS-certified professional mailing service.
- Individual campaign mailings must be arranged and coordinated by candidates on their own behalf, independent of Lake Country Power.

Membership lists are the property of the cooperative. Any unauthorized use of data for any purpose not directly related to this policy will be subject the candidate to the process and penalties set forth in paragraph B above.

*CASS-Coding Accuracy Support System - The USPS® uses the **Coding Accuracy Support System™** (CASS™) to evaluate the accuracy of validation and matching software. It works by checking five-digit ZIP®, ZIP + 4® and delivery point codes.

E. OTHER INFORMATION

The Cooperative will prepare a nomination packet, which will be distributed to all qualified candidates. Any additional candidate information requests will be made available pursuant to the “Member Access to Information” policy to ensure the integrity and fairness of the election for all candidates. As outlined in the Cooperative’s “Member Information” policy, the organization will make available, to its members so requesting, information and data that are germane to their interests as members.

Acknowledgment

I, _____, acknowledge receipt of Lake Country Power’s Director Election Rules and agree to comply with them. I understand that a violation of these rules could subject me to the penalties described in these rules.

(Signature)

Date

RESPONSIBLE: The General Manager and the Board of Directors.

EFFECTIVE: *May 8, 1998, Revised November 29, 2005; Revised July 25, 2006; Revised November 27, 2007; October 28, 2014*