



<b>Subject: Conflict of Interest Policy</b>			<b>Policy No.: 137</b>
<b>Original Issue: 1/25/2013</b>	<b>Last Revised: 1/26/2023</b>	<b>Last Reviewed: 1/26/2023</b>	<b>Page: 1 of 4</b>

**PURPOSE**

Ensure that the Jemez Mountains Electric Cooperative, Inc. (JMEC) Board of Trustees and Management are kept aware of personal and business relationships of members of the Board of Trustees 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 Board of Trustees and Management of JMEC are informed of anything which may result in a claim against JMEC.

**ACCOUNTABILITY**

Each member of the JMEC Board of Trustees, the CEO and General Manager (GM), the JMEC Corporate Counsel, and each Trustee is considered a "Reporting Person" and must complete and file with the President of the Board of Trustees 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.

The President of the JMEC Board of Trustees will report by the November Regular JMEC Board Meeting each year that he or she has received Disclosure Reports from all Reporting Persons signed and dated by October 15 for the current year. Access to information in such reports shall be restricted to the Board of Trustees, the GM, 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 JMEC Board of Trustees 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, government, 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.).



## BOARD OF TRUSTEES POLICIES

<b>Subject: Conflict of Interest Policy</b>			<b>Policy No.: 137</b>
<b>Original Issue: 1/25/2013</b>	<b>Last Revised: 1/26/2023</b>	<b>Last Reviewed: 1/26/2023</b>	<b>Page: 2 of 4</b>

- 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. The JMEC Corporate General Counsel shall serve as Parliamentarian at each JMEC Board of Trustees meeting which the Corporate Counsel attends. As part of these duties as Parliamentarian, the JMEC Corporate Attorney shall:

- a. Aim to identify conflicts of interest which could be on the horizon; and
- b. As conflicts arise regarding the JMEC Board of Trustees at any time, including during JMEC Board of Trustees meetings, call for a point of order to identify the conflict(s) of interest as they arise during those meetings.

3. The JMEC Board President shall then rule on any necessary steps or decisions regarding the identified conflict(s) of interest in consultation with JMEC's General Counsel.

4. If a Trustee wishes to make disclosure of certain information to the full Board of Trustees, he or she may do so by informing the President of the JMEC Board of Trustees of the information he or she wishes disclosed, and the President of the JMEC Board of Trustees will then furnish such information to the other Board of Trustees members, either verbally or in writing, as the President of the JMEC Board of Trustees desires. If the Trustee desires that such information be kept confidential by the other Trustees, he will inform the President of the JMEC Board of Trustees of such fact before disclosure is made, and the information provided by the Trustee then will be furnished by the President of the JMEC Board of Trustees to the other Trustees only in Executive Session. Alternatively, a Trustee may furnish such information directly to the other Trustees, either personally 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 the Board of Trustees meeting wherein such disclosure took place unless the disclosure was made in an Executive Session of the Board of Trustees meeting.



<b>Subject: Conflict of Interest Policy</b>			<b>Policy No.: 137</b>
<b>Original Issue: 1/25/2013</b>	<b>Last Revised: 1/26/2023</b>	<b>Last Reviewed:1/26/2023</b>	<b>Page: 3 of 4</b>

5. For each Potential Claim of which the Reporting Person is aware, disclosure will be accomplished by filing with the President of the JMEC Board of Trustees 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.

6. Mere allegations of a conflict of interest will not be pursued. Anonymous allegations, unless made credible by independent verified facts, will not be pursued. Mere rumors are never a basis for expenditure of JMEC time or effort in chasing unsubstantiated rumors. Probable cause is always required and in all cases there must be credible evidence supporting at least a reasonable suspicion that violations of this Policy have occurred. There must be specific, articulable facts that are independently verified in support of such reasonable suspicion. The person reporting must be acting in good faith and have reasonable grounds for believing the information provided. In no circumstances should an individual confront the fraud suspect or attempt his/her own investigation/resolution.

7. The offering, promising, giving, accepting, or soliciting of an advantage as an inducement for action is illegal or a breach of trust and in every instance must be reported pursuant to this Policy.

8. A Board of Trustees member, GM or JMEC employee shall not accept gifts, favors, hospitality or entertainment of more than token value (\$100.00) or loans in any amount (other than from established financial institutions) from any outside concern that does business with JMEC that seeks to do business with JMEC, or that competes with JMEC.

**DEFINITIONS**

A "Personal or Business relationship" will include but are not limited to 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.



BOARD OF TRUSTEES POLICIES

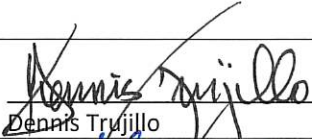
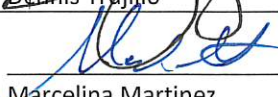
<b>Subject: Conflict of Interest Policy</b>			<b>Policy No.: 137</b>
<b>Original Issue: 1/25/2013</b>	<b>Last Revised: 1/26/2023</b>	<b>Last Reviewed: 1/26/2023</b>	<b>Page: 4 of 4</b>

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.
5. The JMEC Board will discuss other “Personal or Business relationship” situations not specifically mentioned above, and may take appropriate action in the discretion of the JMEC Board of Trustees.

“Key JMEC Personnel” will include any one of the following:

General Manager, Managers, Directors, and Supervisors.

[Attachment A follows]

 _____, Chairman of the Board Dennis Trujillo	Date: <u>3/23/2023</u>
 _____, Policy Committee Chair Marcelina Martinez	Date: <u>3/23/2023</u>



Subject: Conflict of Interest Policy			Policy No.: 137
Original Issue: 1/25/2013	Last Revised: 1/26/2023	Last Reviewed: 1/26/2023	Page: 1 of 2

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 Board of Trustees Policy 137).

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

	YES	NO
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):

Name of Business or Activity	Address	Your Role in the Business
_____	_____	_____
_____	_____	_____
_____	_____	_____

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:



BOARD OF TRUSTEES POLICIES

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