



BOARD GOVERNANCE GUIDEBOOK



[Date]
[New Director Name]
[Address]
[City, State ZIP]

Dear [New Director Name],

On behalf of the entire Board of Directors, it is my pleasure to welcome you to Tri-County Electric Cooperative Board. We are grateful for your willingness to serve and for the commitment you are making to our members, communities, and mission.

Your selection as a director reflects both trust and responsibility. The role requires thoughtful participation, preparation, sound judgment, and a steady focus on what is best for the cooperative's long-term health. We are confident you will bring this valuable perspective to the boardroom.

You will receive the materials that make up our Board Governance framework — including orientation resources and our evolving Board Governance Guidebook. These tools are designed to help ensure clarity, consistency, and transparency in how our board operates and how each director contributes. As we continue strengthening our governance structure, your engagement will be important.

You will also receive an orientation from the board's only employee to help you get acquainted with our processes, expectations, and culture. Please don't hesitate to lean on our employee, the board, or on me directly, as you get started. Our goal is for you to feel supported and confident as you step into this role.

Thank you again for your willingness to serve. We look forward to working with you and benefiting from your leadership.

Warm regards,

Sommer Portwood
Board Chair
Tri-County Electric Cooperative

Acknowledgment of Receipt and Commitment to Board Policies

I acknowledge that I have received the Board Governance Guidebook and related orientation materials. I understand these policies and expectations guide the work of the Board of Directors, and I commit to following them as part of my service to the cooperative. If I have any questions or need clarification about these policies, I will bring them to the Board Chair.

Director Signature: _____

Printed Name: _____

Date: _____



February 2026 TCEC Board Resolution

Adoption of Board Governance Guidebook and Repeal of Prior Board Policies

WHEREAS, the Board of Directors has undertaken a comprehensive review and modernization of its governance framework to strengthen fiduciary discipline, role clarity, risk management, and long-term governance effectiveness; and

WHEREAS, the Board has reviewed, discussed, and approved a consolidated set of Board governance policies organized as the **Board Governance Guidebook**, Policies #1 through #11; and

WHEREAS, the Board desires to ensure that its governance authority is exercised under a single, coherent, and authoritative policy framework;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. **Adoption of Governance Guidebook**

The Board hereby adopts the Board Governance Guidebook, consisting of Policies #1 through #11, as the exclusive and controlling body of Board governance policy, effective immediately.

2. **Repeal and Supersession of Prior Policies**

Upon adoption of this resolution, **all prior Board policies, governance documents, guidelines, or governance-related resolutions**, whether formal or informal, written or implied, are hereby **repealed, superseded, and rendered void**, except as expressly preserved below.

3. **No Reliance on Legacy Policies**

Following adoption, no director, officer, or committee may rely upon, reference, or assert authority under any repealed policy or legacy governance document. All Board conduct, authority, and enforcement shall be governed solely by the Board Governance Guidebook and the Cooperative's bylaws.

4. **Temporary Preservation of Delegated Financial Authority**

Any existing Board-approved delegation of financial authority to the President & CEO shall remain in effect **on an interim basis** until such time as the Board adopts a standalone Delegation of Authority or financial governance policy, at which point such interim delegation shall be superseded.

5. **Future Board Procedures**

Matters relating to Board meeting procedures, agenda-setting, and director communications with the Board may be addressed through future Board-approved procedures or protocols. Until such time, the absence of a specific procedure shall not revive or reauthorize any repealed legacy policy.

6. **Implementation and Custody**

The President & CEO is authorized to finalize formatting, maintain the official version of the Board Governance Guidebook, and ensure its consistent application and availability to directors.

BE IT FURTHER RESOLVED that this action reflects the Board's intent to move forward under a modern, consolidated governance framework and not to preserve or attribute continuing authority to prior governance materials.

Adopted this 5 day of February, 2026.



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Code of Conduct, Ethics, and Governance Standards (Policy #1)

Purpose

The purpose of this policy is to ensure that all members are aware that the TCEC Board of Directors conducts themselves with the highest standards of integrity, professionalism, and appropriate transparency. This policy is intended to prevent actual, potential, or reasonably perceived conflicts of interest, protect the Cooperative's reputation, and guide Board behavior in alignment with TCEC's mission, goals, and Essential Attributes. This policy further supports a culture of constructive engagement, respectful debate, ethical decision-making, and governance practices that protect the Cooperative, its members, management, and individual directors.

Scope

This policy applies to all members of the TCEC Board of Directors while acting in an official Board capacity. Compliance with this policy is mandatory and is a condition of service as a director.

Policy

Board Authority and Fiduciary Responsibility

1. The Board of Directors exercises its authority only as a collective body. Individual directors have no authority to act, speak, or make commitments on behalf of the Board or the Cooperative unless expressly authorized by formal Board action.
2. Directors are fiduciaries and are expected to fulfill their duty of care, duty of loyalty, and duty of obedience to the Cooperative.
3. Directors shall act in good faith, in the best interests of the Cooperative and its members, and in compliance with applicable laws, bylaws, Board policies, contractual obligations, and insurance requirements.
4. Once the Board has taken formal action, all directors are expected to support and uphold that decision unless and until it is changed by the Board.

Board Conduct

Board members are expected to:

1. Act in the best interest of TCEC and its members, guided by integrity, humility, and collaboration.
2. Treat fellow directors, the Cooperative's employees, and members with respect, fairness, and professionalism, modeling the Essential Attributes of Empathy and Engagement.
3. Maintain the confidentiality of all sensitive Board and Cooperative information, demonstrating Trustworthiness.
4. Refrain from actions or statements that could reasonably harm TCEC's reputation, operations, or governance effectiveness, embodying Responsible and Reliable behavior.
5. Prepare in advance for Board meetings by reviewing materials, seeking clarification as needed, arriving on time, and engaging thoughtfully to support effective decision-making and respect for the time of others.
6. Participate actively and constructively in Board meetings through respectful dialogue, active listening, and professional conduct.
7. Avoid using their position for personal gain or the benefit of any outside party, reflecting ethical and coachable governance.
8. Address disagreements respectfully, avoid personal attacks, and work to maintain functional Board cohesion.
9. Interact with the President and Chief Executive Officer through the Board acting collectively. Individual directors shall not provide operational direction, instruction, or supervision to the CEO or staff.



Role Clarity and Non-Interference with Management

1. The Board governs; the President and Chief Executive Officer manages.
2. The Board delegates day-to-day operations and all employment-related matters to the CEO in accordance with Board policy, best practices, and contractual authority.
3. Individual directors shall not involve themselves in operational decisions, personnel matters, or management activities.
4. Concerns regarding performance, operations, or organizational issues shall be raised through the Board acting as a body and addressed through Board-approved governance processes.

Use of Position

Board members shall not leverage their title, office, access, or influence for personal benefit or for the benefit of family members, associates, or outside entities. Official communication on behalf of the Board shall occur only following formal Board authorization.

Directors are expected to model ethical, value-driven leadership and conduct themselves in a manner consistent with the Essential Attributes, particularly Communicative and Responsible behavior.

Conflict Resolution

1. Interpersonal or professional conflicts among directors, or between a director and the CEO, shall be addressed constructively and professionally.
2. Matters shall be raised through the Board Chair, Vice Chair, or the full Board, as appropriate.
3. When necessary, legal counsel, governance advisors, or independent mediation may be engaged to ensure impartial resolution and protect the Cooperative's interests.
4. Matters shall not be handled informally where doing so could create legal, contractual, or insurance risk to the Cooperative or its directors.

Documentation and Records Integrity

1. Board meeting minutes shall accurately reflect disclosures, recusals, Board actions, and enforcement measures taken under this policy.
2. Documentation shall be truthful, complete, and maintained in accordance with legal, governance, and insurance requirements.
3. Directors shall not make false statements, unsupported accusations, or claims regarding document alteration, record integrity, or misconduct without factual basis and appropriate process.
4. Directors shall not conduct personal or independent investigations or access records or systems without authorization.
5. Directors shall rely on official records and Board-approved channels for information.

Confidentiality and Information Protection

1. Directors shall protect the confidentiality of Board materials, executive communications, and Cooperative information.
2. Directors shall not disclose employee, member, or Cooperative information except as authorized.
3. This includes forwarding internal emails, text messages, screenshots, documents, or Board materials to external parties without authorization.
4. Directors shall handle Board materials securely, whether in digital or physical form.



5. Directors shall avoid conduct that could reasonably expose the Cooperative to defamation, privacy breaches, or data security risks, consistent with applicable insurance exclusions.

Reporting and Enforcement

1. Directors are responsible for reporting suspected violations of this policy:
 - Reports should normally be made to the Board Chair.
 - If the concern involves the Chair, reports should be made to the Vice Chair.
 - If the concern involves multiple officers, the matter should be brought to the full Board.
2. Reported concerns shall be addressed in a manner consistent with the Cooperative's bylaws, applicable law, and due process requirements.
3. Violations of this policy may result in Board action, including counseling, formal censure, or removal from the Board where permitted by the bylaws and law.
4. Enforcement actions shall be documented and handled in coordination with legal counsel and, where applicable, insurance requirements.

References

- Former TCEC Board Policy on Conflicts of Interest and Conduct
- Federated Directors, Officers, and Managers Liability (DOM) Policy
- TCEC Employee Handbook, Section 5.10 – Conflicts of Interest or Use of Office
- Employment Contracts and Amendments
- Applicable state and federal laws governing cooperative governance

Originally Approved: January 2026

Last Reviewed: January 2026

Next Review: January 2027



Conflicts of Interest / Disclosure Policy (Policy #2)

Purpose

The purpose of this policy is to ensure that members of the TCEC Board of Directors avoid actual, potential, or reasonably perceived conflicts of interest and act at all times in the best interest of the Cooperative and its member-owners. This policy supports ethical decision-making, protects the Cooperative's reputation, preserves public trust, and aligns Board conduct with applicable law, governance best practices, and insurance requirements.

Scope

This policy applies to all members of the TCEC Board of Directors while acting in an official Board capacity. Compliance with this policy is a condition of Board service.

Policy

Definition of Conflict of Interest

A conflict of interest exists when a director's personal, financial, professional, or relational interests could reasonably be perceived to interfere with the director's independent judgment or duty of loyalty to the Cooperative.

Conflicts may be:

- **Actual** (currently influencing judgment)
- **Potential** (reasonably foreseeable)
- **Reasonably perceived** (could appear improper to a reasonable third party, even if no improper intent exists)

Standards of Conduct

Board members shall:

1. Avoid use of office for private gain for themselves or for family members, business associates, or affiliated organizations.
2. Avoid use of nonpublic or inside information for personal benefit, whether directly or indirectly.
3. Avoid favoritism toward vendors, contractors, employees, or other third parties.
4. Not solicit or accept, directly or indirectly, any gifts, favors, loans, services, or gratuities from individuals or entities doing business with, or seeking to do business with, the Cooperative, except as expressly permitted by Board-approved policy. Conduct themselves in a manner that protects the Cooperative from reputational, legal, and financial risk.

Conflicts of interest, whether actual, potential, or reasonably perceived, undermine trust and effective decision-making. Board members must:

1. Disclose promptly any actual, potential, or reasonably perceived conflict of interest, including circumstances that could reasonably create the appearance of a conflict.



2. Recuse themselves from discussion, deliberation, and voting on matters where a conflict exists, with such recusals documented in the meeting minutes.
3. Avoid participating in matters involving family members, business associates, or entities where personal or financial relationships could influence judgment.
4. Refrain from using confidential Cooperative information, Cooperative assets, or their Board position for personal gain or the gain of others.
5. Annually affirm in writing that all known conflicts have been disclosed and commit to timely disclosure of any new conflicts.
6. Seek guidance from legal counsel or governance advisors when uncertainty exists regarding conflicts of interest.

Disclosure Requirements

1. Directors must promptly disclose any actual, potential, or reasonably perceived conflict of interest.
2. Disclosure shall be made to the Board Chair or, if the Chair is involved, to the Vice Chair or the full Board.
3. Directors shall annually affirm in writing that all known conflicts have been disclosed and commit to ongoing disclosure if circumstances change.

Recusal and Non-Participation

1. Directors with a conflict of interest must recuse themselves from discussion, deliberation, and voting on the affected matter.
2. The recusal shall be documented in the Board minutes.
3. Directors shall not attempt to influence decisions related to matters from which they are recused.

Guidance and Interpretation

When uncertainty exists regarding whether a situation constitutes a conflict of interest or the appearance of one, directors are expected to err on the side of disclosure and seek guidance from:

- Legal counsel, and/or
- The Board acting as a body

Seeking guidance is viewed as a demonstration of good faith and sound governance, not as an admission of wrongdoing.

Alignment with Management Standards



This policy is intentionally aligned with TCEC’s management conflict-of-interest standards, including those applicable to employees and members of management, to promote consistency across the organization. Management policies (including Employee Handbook Section 5.10) provide additional detail applicable to employees and are incorporated by reference for alignment, not enforcement.

Gifts, Meals, Hospitality, and Other Benefits

Some conflicts of interest arise not from formal transactions, but from gifts, meals, hospitality, favors, or other benefits that may reasonably create the appearance of influence or preferential treatment. These situations require heightened judgment and transparency, even when no Board action is pending.

Board members shall not solicit, accept, or otherwise benefit from, directly or indirectly, any gift, meal, hospitality, favor, loan, service, or item of value from any individual or entity that does business with, seeks to do business with, or is regulated by the Cooperative, except as permitted below.

Limited exceptions may exist for items of nominal value or customary business courtesies that:

- Are not intended to influence judgment or decision-making;
- Are not exclusive or preferential in nature;
- Are reasonable in frequency and value;
- Would not reasonably be viewed by a third party as creating an obligation, expectation, or sense of favoritism.

When uncertainty exists, directors are expected to apply the following guiding questions:

- Would acceptance of this benefit create a real or perceived expectation of favorable treatment?
- Would I be comfortable if this situation were disclosed publicly or discussed openly with the full Board or shared with the Membership?
- Would a reasonable person perceive this as influencing, or appearing to influence, my judgment?
- Would declining this benefit better protect the Cooperative, the Board, or my own credibility?

If the answer to any of these questions raises concern, the benefit should be declined or disclosed.

Board members are encouraged to err on the side of disclosure. Disclosure of gifts, meals, hospitality, or other benefits shall be made to the Board Chair, or to the Vice Chair or full Board if the Chair is involved. Where appropriate, the director shall recuse themselves from related discussions or decisions, with such recusal documented in the meeting minutes.

This policy is intentionally aligned with the Cooperative’s management conflict-of-interest standards and annual disclosure requirements, reflecting a consistent expectation of ethical judgment, transparency, and restraint across leadership roles.



Reporting and Enforcement

Violations of this policy shall be addressed in accordance with applicable Board policies, Cooperative bylaws, due process requirements, and legal and insurance obligations. Failure to disclose conflicts or to comply with recusal requirements may result in Board action, up to and including censure or removal where permitted by law and bylaws.

References

- TCEC Employee Handbook, Section 5.10 – Conflicts of Interest or Use of Office
- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Federated Directors, Officers, and Managers (DOM) Insurance Policy
- Applicable state and federal laws governing cooperative governance

Originally Approved: January 2026

Last Reviewed: January 2026

Next Review: January 2027



Directors, Officers & Managers (DOM) Insurance Compliance Policy (Policy #3)

Purpose

The purpose of this policy is to ensure that members of the TCEC Board of Directors understand and comply with the conditions of the Cooperative's Directors, Officers, and Managers (DOM) insurance coverage. This policy is intended to preserve insurance coverage, protect the Cooperative and individual directors from unnecessary exposure, and align Board conduct with contractual insurance obligations.

Scope

This policy applies to all members of the TCEC Board of Directors while acting in an official Board capacity. Compliance with this policy is a condition of Board service.

Policy

General Principles

1. DOM insurance is a claims-made policy subject to strict notice, cooperation, and conduct requirements.
2. Coverage is not automatic; it is conditioned on compliance with policy terms.
3. Failure to comply with DOM requirements may result in:
 - o Denial or limitation of coverage
 - o Erosion of policy limits through defense costs
 - o Personal exposure for individual directors

Covered Conduct and Expectations

Board members shall:

1. Act in good faith and in the best interests of the Cooperative.
2. Avoid conduct that could reasonably trigger policy exclusions.
3. Understand that defense costs are included within policy limits and reduce the total coverage available.

Prohibited Conduct (Coverage-Threatening Actions)

Board members shall not engage in conduct that may jeopardize DOM coverage, including but not limited to:

1. Fraud, dishonesty, misrepresentation, or criminal acts.
2. Personal profit, gain, unjust enrichment, or restitution-based conduct.
3. Harassment, humiliation, defamation, retaliation, or privacy violations.



4. Disputes between insureds involving the operation of the Cooperative, except where coverage is expressly preserved by policy.
5. Unauthorized settlements, promises, assurances, or admissions of liability.
6. Unauthorized communication or contact with the insurer, claims representatives, or defense counsel.
7. Rogue or unilateral actions that create obligations or exposure for the Cooperative.

Cooperation and Claims Handling

1. Directors shall fully cooperate with the Cooperative, legal counsel, auditors, investigators, and the insurer in connection with any claim, inquiry, or investigation.
2. Directors shall not:
 - Conduct personal or independent investigations
 - Create competing narratives of events
 - Withhold information
 - Interfere with defense strategy or claims handling
3. All requests for information or action related to claims shall be handled through authorized channels.

Preservation of Records and Information

1. Directors shall preserve relevant records, communications, and materials when a claim or potential claim exists.
2. Records shall not be altered, destroyed, or selectively produced.
3. Accurate, truthful documentation is required to preserve coverage.

Alignment with Other Board Policies

This policy operates in conjunction with:

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Policy #2 – Conflicts of Interest / Disclosure Policy
- Other Board governance and conduct policies

Nothing in this policy limits the Board's authority under the Cooperative's bylaws or applicable law.

Reporting and Enforcement

Failure to comply with this policy may result in Board action consistent with Cooperative bylaws, due process requirements, and applicable law, including censure or removal where permitted. Violations that jeopardize insurance coverage may also expose individual directors to personal liability.



1. Directors must promptly report any circumstance, demand, threat, or event that could reasonably give rise to a claim.
2. Notice shall be made through the Cooperative using Board-approved processes.
3. Delay, omission, or informal handling of potential claims may result in loss of coverage.

References

- Federated Directors, Officers, and Managers (DOM) Insurance Policy
- Cooperative bylaws
- Applicable state and federal law

Originally Approved: January 2026

Last Reviewed: January 2026

Next Review: January 2027



Board Meeting Participation & Preparedness Policy (Policy #4)

Purpose

The purpose of this policy is to establish clear expectations for Board member participation, preparation, and engagement in Board meetings. Consistent participation and preparedness are essential to effective governance, informed decision-making, and fulfillment of fiduciary duties.

This policy complements Board Policy #1 – Code of Conduct, Ethics, and Governance Standards by defining specific participation and preparedness expectations that support efficient and effective Board operations.

Scope

This policy applies to all members of the TCEC Board of Directors, including while participating in regular or special Board meetings, workshops, retreats, or other official Board proceedings.

Policy

Participation Expectations

Board members are expected to:

1. Participate consistently in all regular and special Board meetings, whether in person or via approved remote means.
2. Arrive on time and remain engaged for the duration of meetings, except in cases of unavoidable conflict.
3. Participate actively and constructively, contributing to discussion, asking relevant questions, and engaging in deliberation.
4. Maintain professional focus and attention during meetings, avoiding distractions that interfere with effective participation.

Participation, as defined in this board policy, reflects active engagement, not merely presence.

Preparedness Expectations

Board members are expected to:

1. Review Board packets, reports, and supporting materials in advance of meetings.
2. Review the President's Report prior to each Board meeting. The President's Report is intended to provide concise context, analysis, and summary information in lieu of excessive operational detail, and to support informed governance and efficient use of Board meeting time.
3. Seek clarification or additional information in advance when questions arise that may require management preparation.



4. Raise substantive questions or requests for clarification related to the President’s Report or other Board materials in advance of the meeting, when practicable, rather than relying on first-time review during the meeting.
5. Come prepared to discuss agenda items, exercise judgment, and make informed decisions.
6. Respect the time and preparation of fellow directors, management, and staff by being ready to engage at the scheduled meeting time.

Preparedness is a component of the Board’s duty of care.

Remote Participation

When participating remotely, Board members are expected to:

1. Ensure a professional setting that allows full attention and confidentiality.
2. Use technology in a manner that supports clear communication and engagement.
3. Avoid multitasking or activities that detract from effective participation.

Review

This policy shall be reviewed periodically to ensure continued alignment with governance best practices and the needs of the Cooperative.

Reporting and Enforcement

1. Patterns of non-participation, chronic lateness, or lack of preparation may be addressed by the Board Chair.
2. Continued concerns may be elevated to the full Board for discussion, consistent with applicable Board policies and Cooperative bylaws.
3. This policy is not intended to penalize isolated or unavoidable conflicts, but to reinforce shared responsibility for effective governance.

References

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Meeting Conduct & Decorum Policy
- Cooperative bylaws and applicable law

Originally Approved: January 2026

Last Reviewed: January 2026

Next Review: January 2027



Confidential Information, External Communications & Media Policy (Policy #5)

Purpose

The purpose of this policy is to protect confidential Cooperative information, ensure accurate and authorized external communications, and reduce legal, reputational, and insurance-related risk to the Cooperative and its directors. This policy establishes clear expectations regarding confidentiality, public statements, and interactions with media or external audiences.

Scope

This policy applies to all members of the TCEC Board of Directors, while acting in an official Board capacity or when representing, or reasonably perceived as representing, the Cooperative.

Policy

A. Confidential Information

Directors shall protect the confidentiality of all nonpublic Cooperative information, including but not limited to:

- Board packets, meeting materials, and executive session discussions
- Legal, financial, personnel, and strategic information
- Information related to members, employees, vendors, or partners

Confidential information shall not be disclosed to unauthorized individuals or entities, whether intentionally or inadvertently.

B. External Communications and Media

1. The Board speaks only through authorized channels. Individual directors are not authorized to speak on behalf of the Board or the Cooperative unless expressly designated by Board action.
2. Directors shall not make public statements, provide interviews, or respond to media inquiries regarding Cooperative matters without authorization.
3. All media inquiries shall be directed to the President and Chief Executive Officer or other designated spokespersons.

C. Social Media and Public Commentary

1. Directors may express personal opinions in a private capacity but shall not:
 - Represent themselves as speaking for the Board or the Cooperative unless authorized
 - Disclose confidential or nonpublic information
 - Make statements that could reasonably undermine the Cooperative, its governance, management, or employees
2. Directors shall avoid inflammatory, misleading, or speculative commentary related to Cooperative matters.



D. Information Handling

Directors shall:

- Handle Board materials securely in both digital and physical form
- Avoid forwarding internal communications, documents, screenshots, or recordings to unauthorized parties
- Use Cooperative systems and information only for legitimate governance purposes

Reporting and Enforcement

1. Suspected violations of this policy shall be reported to the Board Chair, or to the Vice Chair or full Board if the Chair is involved.
2. Violations may result in Board action consistent with the Cooperative's bylaws, due process requirements, and applicable law.
3. Enforcement shall be coordinated with legal counsel and insurance requirements where applicable.

References / Review

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Policy #3 – Directors, Officers & Managers (DOM) Insurance Compliance Policy
- Cooperative bylaws
- Federated Directors, Officers & Managers (DOM) Insurance Policy
- Applicable state and federal law

Originally Approved: February 2026

Last Reviewed: February 2026

Next Review: February 2027



Whistleblower Reporting & Non-Retaliation Policy (Policy #6)

Purpose

The purpose of this policy is to provide a clear, safe, and credible process for reporting concerns involving potential misconduct, unethical behavior, violations of law or policy, or other matters that could expose the Cooperative to legal, financial, reputational, or operational risk. This policy also strictly prohibits retaliation against individuals who raise concerns in good faith.

Scope

This policy applies to members of the TCEC Board of Directors and governs Board-level handling of concerns involving directors, governance matters, or issues that warrant Board awareness or oversight. This policy complements, but does not replace, management-level reporting processes applicable to employees.

Policy

A. Reportable Concerns

Concerns appropriate for reporting under this policy include, but are not limited to:

- Violations of Board policy, bylaws, or fiduciary duties
- Fraud, dishonesty, misrepresentation, or misuse of Cooperative resources
- Conflicts of interest not properly disclosed or managed
- Retaliation, harassment, intimidation, or threats
- Violations of law or regulatory requirements
- Conduct that could reasonably jeopardize Directors, Officers & Managers (DOM) insurance coverage

This policy is intended to encourage early reporting so issues can be addressed before escalation or harm occurs.

B. Reporting Channels

1. Concerns should normally be reported to the Board Chair.
2. If the concern involves the Chair, reports should be made to the Vice Chair.
3. If the concern involves multiple Board officers, or circumstances warrant broader awareness, the concern may be raised with the full Board.
4. Reports may be made verbally or in writing and should include sufficient detail to allow reasonable review.

C. Good-Faith Reporting

Reports must be made in good faith, based on a reasonable belief that the information provided is accurate and relevant. This policy does not protect knowingly false, malicious, or reckless allegations.

Reporting and Enforcement



A. Non-Retaliation

Retaliation against any individual who reports a concern in good faith, participates in a review, or cooperates with an inquiry is strictly prohibited. Retaliation includes, but is not limited to:

- Intimidation, threats, or harassment
- Adverse treatment or exclusion
- Attempts to discredit, silence, or punish a reporting individual

Any act of retaliation shall be treated as a serious violation of Board policy.

B. Review and Handling of Reports

1. Reported concerns shall be handled discreetly, promptly, and with appropriate confidentiality.
2. The Board may engage legal counsel, governance advisors, or other independent resources to assist with review.
3. The Board shall determine appropriate action based on facts, due process, and applicable policy, bylaws, and law.

C. Corrective Action

Substantiated violations may result in Board action consistent with Cooperative bylaws and applicable law, including counseling, censure, or removal where permitted.

References / Review

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Policy #2 – Conflicts of Interest / Disclosure Policy
- Board Policy #3 – Directors, Officers & Managers (DOM) Insurance Compliance Policy
- Cooperative bylaws
- Applicable state and federal law

Originally Approved: February 2026

Last Reviewed: February 2026

Next Review: February 2027



Board Elections, Campaigning, and Fair Practices Policy (Policy #7)

Purpose

The purpose of this policy is to promote fair, ethical, and transparent Board elections; protect member trust in the Cooperative's governance; and reduce legal, reputational, and insurance-related risk. This policy establishes expectations for director conduct related to elections and campaigning while preserving the Board's and the Cooperative's neutrality and compliance with applicable law and bylaws.

Scope

This policy applies to members of the TCEC Board of Directors when engaged in any activity related to Board elections, including candidacy, campaigning, communications with members, and post-election conduct. This policy does not replace or modify election procedures established by the Cooperative's bylaws or the Credentials and Elections Committee process.

Policy

A. Governance Authority, Neutrality, and Committee Independence

1. Board elections are governed by the Cooperative's bylaws and administered through the Credentials and Elections Committee in accordance with adopted procedures.
2. The Board, as a body, shall remain neutral in Board elections and shall not endorse or oppose candidates unless expressly authorized by the bylaws or applicable law.
3. Nothing in this policy restricts the Board from performing bylaw-required administrative actions related to the election process, including appointing members of the Credentials and Elections Committee or approving election schedules or fees, provided the Board remains neutral regarding candidates.
4. Directors shall not interfere with, attempt to influence, or direct the work of the Credentials and Elections Committee.
5. Directors shall not contact committee members regarding candidate eligibility determinations, rankings, nominations, or committee deliberations.

B. Use of Cooperative Resources

1. Directors shall not use Cooperative funds, facilities, systems, staff time, records, member lists, or other Cooperative resources to support or oppose any candidate.
2. Directors shall not direct or encourage employees or agents of the Cooperative to engage in electioneering activities.
3. Cooperative communications, including official publications and electronic platforms, shall be used only as permitted by the bylaws and approved election procedures.

C. Campaign Conduct and Fair Practices

Directors involved in Board elections shall:



1. Conduct themselves honestly, respectfully, and professionally.
2. Avoid misleading, deceptive, or false statements regarding the Cooperative, Board actions, management, employees, the Credentials and Elections Committee, or other candidates.
3. Refrain from coercive, intimidating, retaliatory, or disruptive conduct related to election outcomes.
4. Respect the confidentiality of Cooperative information and refrain from using nonpublic information for campaign advantage.
5. Refrain from conducting or encouraging independent investigations of candidates outside the Credentials and Elections Committee process.

D. Communications with Members

1. Directors may communicate with members in a personal capacity, provided such communications are factual, not misleading, and clearly distinguish personal views from official Board positions.
2. Directors shall not represent themselves as speaking on behalf of the Board or the Cooperative in election-related communications unless expressly authorized.
3. Directors shall direct candidate inquiries, eligibility questions, disputes, or procedural concerns to the Credentials and Elections Committee using the committee's published contact information.
4. Directors shall avoid communications that could reasonably undermine member confidence in the integrity of the election process or Cooperative governance.

E. Post-Election Conduct

1. Following an election, all directors are expected to respect the outcome and support the Board's collective authority and governance responsibilities.
2. Election disputes or concerns shall be addressed through the procedures established in the bylaws and Credentials and Elections Committee process, not through public commentary, informal channels, or unilateral action.

Reporting and Enforcement

1. Alleged violations of this policy shall be reported to the Board Chair, or to the Vice Chair or full Board if the Chair is involved.
2. Concerns shall be reviewed consistent with due process, Cooperative bylaws, Credentials and Elections Committee procedures, and applicable law.
3. Substantiated violations may result in Board action consistent with Board policies and bylaws, including counseling, censure, or other corrective action where permitted.
4. Matters presenting legal, reputational, or insurance risk may be referred to legal counsel and addressed in coordination with insurance requirements.



References / Review

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Policy #3 – Directors, Officers & Managers (DOM) Insurance Compliance Policy
- Board Policy #5 – Confidential Information, External Communications & Media Policy
- Board Policy #6 – Whistleblower Reporting & Non-Retaliation Policy
- TCEC Bylaws
- Credentials and Elections Committee governing documents
- Applicable state and federal law

Originally Approved: February 2026

Last Reviewed: February 2026

Next Review: February 2027



Board Compensation Policy (Policy #8)

Purpose

The purpose of this policy is to establish clear, disciplined principles governing Board compensation that promote transparency, stewardship, fiscal responsibility, and public trust. This policy is intended to ensure that director compensation supports effective governance, aligns with comparable electric cooperatives, avoids incentives that undermine sound decision-making, and remains consistent with fiduciary duties, Cooperative bylaws, applicable law, and insurance requirements.

Scope

This policy applies to all compensation, stipends, reimbursements, and other forms of remuneration provided to members of the TCEC Board of Directors in connection with their service to the Cooperative.

Policy

A. Compensation Structure

1. Board compensation shall be provided in the form of a flat monthly compensation amount, as approved by the Board in accordance with the Cooperative's bylaws and applicable law.
2. Per-meeting fees, per-diem payments, or compensation tied to committee participation are prohibited and shall not be used, except where expressly required by bylaw or law.
3. The flat monthly compensation model is intended to:
 - Encourage preparation, engagement, and accountability as part of ongoing Board service
 - Eliminate incentives for unnecessary meetings or committees
 - Reinforce the distinction between governance responsibilities and management activities

B. Authority and Collective Action

1. Board compensation shall be established, modified, or approved only through formal Board action and only as permitted by the Cooperative's bylaws and applicable law.
2. Individual directors have no authority to set, negotiate, or alter their own compensation.
3. Directors shall not participate in decisions regarding their own compensation except as expressly permitted by bylaws or law.

C. Benchmarking and Market Alignment

1. The Board shall periodically review director compensation using objective benchmarking, including review of publicly available IRS Form 990 data from comparable electric cooperatives.
2. The Board's intent is for TCEC director compensation to remain within a reasonable and defensible range relative to peer cooperatives, taking into account Cooperative size, complexity, financial condition, and governance expectations.



3. Benchmarking is intended to support consistency, transparency, and long-term credibility, not automatic increases.

D. Reimbursements and Expenses

1. Directors may be reimbursed for reasonable and necessary expenses incurred in the performance of official Board duties, consistent with Board-approved policy and applicable law.
2. Reimbursement practices shall be applied consistently and shall not be used to supplement or circumvent approved compensation levels.
3. Expense reimbursement practices may be reviewed periodically to ensure alignment with the flat monthly compensation structure and Cooperative expectations.

E. Conflicts and Ethical Standards

1. Any actual, potential, or reasonably perceived conflict of interest related to Board compensation shall be disclosed and addressed in accordance with Board Policy #2 – Conflicts of Interest / Disclosure Policy.
2. Directors shall not seek or accept compensation, benefits, or reimbursements outside those authorized by Board action and Cooperative policy.

Reporting and Enforcement

1. Concerns regarding Board compensation or reimbursement practices shall be reported to the Board Chair, or to the Vice Chair or full Board if the Chair is involved.
2. Alleged violations of this policy shall be reviewed consistent with Cooperative bylaws, due process requirements, and applicable law.
3. Substantiated violations may result in Board action consistent with Board policies and bylaws, including corrective action where permitted.
4. Matters presenting legal or insurance risk may be addressed in coordination with legal counsel and insurance requirements.

References / Review

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Policy #2 – Conflicts of Interest / Disclosure Policy
- Board Policy #3 – Directors, Officers & Managers (DOM) Insurance Compliance Policy
- Cooperative bylaws
- IRS Form 990 (peer cooperative benchmarking)
- Applicable state and federal law

Originally Approved: February 2026

Last Reviewed: February 2026

Next Review: February 2027



Board Records Access, Integrity, and Retention Policy (Policy #9)

Purpose

The purpose of this policy is to protect the integrity, accuracy, confidentiality, and lawful use of Cooperative records; ensure directors have appropriate access to information necessary to fulfill fiduciary duties; and reduce legal, reputational, and insurance-related risk. This policy establishes clear expectations regarding records access, use, preservation, and reliance on official information sources.

Scope

This policy applies to all members of the TCEC Board of Directors with respect to access to, use of, and reliance upon Cooperative records, including Board materials, financial records, personnel information, legal documents, electronic systems, and communications.

Policy

A. Official Records and Authorized Access

1. Directors are entitled to reasonable access to Cooperative records necessary to fulfill their fiduciary duties, subject to applicable law, bylaws, confidentiality obligations, and Board policy.
2. Access to records shall occur through official, Board-approved channels and systems designated by the Cooperative.
3. Individual directors shall not independently demand, retrieve, or access records outside established processes or without authorization.
4. Access to sensitive records, including personnel, legal, security, or member information, may be restricted or conditioned to protect confidentiality, privilege, or legal compliance.

B. Records Integrity and Truthfulness

1. Directors shall rely on official Cooperative records and communications when making statements, decisions, or representations related to Board matters.
2. Directors shall not make false statements, unsupported accusations, or claims regarding record alteration, destruction, or impropriety without factual basis and appropriate process.
3. Directors shall not withhold, misrepresent, selectively disclose, or manipulate information for personal, political, or strategic purposes.
4. Directors shall not create unofficial "shadow records," parallel documentation systems, or alternative narratives outside Board-approved processes.

C. Prohibition on Personal or Independent Investigations

1. Directors shall not conduct or direct personal or independent investigations into Cooperative operations, employees, officers, vendors, or other directors.



2. Requests for reviews, audits, or investigations shall be made through the Board acting as a body and conducted through authorized internal or external professionals.
3. Directors shall not engage third parties, advisors, or investigators on behalf of the Cooperative without Board authorization.

D. Record Retention, Preservation, and Security

1. Directors shall comply with applicable record retention and preservation requirements, including litigation holds and regulatory obligations.
2. Directors shall not destroy, alter, delete, or dispose of Cooperative records except in accordance with approved retention schedules and legal requirements.
3. Directors shall handle Board materials securely in both digital and physical form and take reasonable steps to prevent unauthorized access, disclosure, or loss.
4. Directors shall promptly report any suspected breach, loss, or compromise of Cooperative records or systems.

E. Privilege, Confidentiality, and Insurance Considerations

1. Certain Cooperative records may be protected by attorney-client privilege, work-product doctrine, privacy laws, or insurance requirements.
2. Directors shall respect privilege designations and shall not waive privilege or disclose protected information without Board authorization and legal counsel involvement.
3. Directors shall not create communications or records that could reasonably jeopardize legal privilege, insurance coverage, or the Cooperative's defense posture.

Reporting and Enforcement

1. Concerns regarding records access, integrity, or misuse shall be reported to the Board Chair, or to the Vice Chair or full Board if the Chair is involved.
2. Alleged violations shall be reviewed consistent with Cooperative bylaws, due process requirements, and applicable law.
3. Substantiated violations may result in Board action consistent with Board policies and bylaws, including corrective action where permitted.
4. Matters presenting legal, regulatory, or insurance risk may be addressed in coordination with legal counsel and insurance requirements.



References / Review

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Policy #3 – Directors, Officers & Managers (DOM) Insurance Compliance Policy
- Board Policy #6 – Whistleblower Reporting & Non-Retaliation Policy
- Cooperative bylaws
- Applicable state and federal law

Originally Approved: February 2026

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Next Review: February 2027



Board Orientation, Education, and Continuing Governance Development Policy (Policy #10)

Purpose

The purpose of this policy is to ensure that members of the Board of Directors are appropriately oriented, informed, and continually developing the knowledge and skills necessary to fulfill their fiduciary duties and governance responsibilities. This policy emphasizes governance literacy specific to TCEC and supports effective oversight, sound decision-making, and long-term Cooperative stability while reducing legal, operational, and insurance-related risk.

Scope

This policy applies to all members of the TCEC Board of Directors and governs initial orientation and ongoing governance development activities undertaken in connection with Board service.

Policy

A. Director Orientation

1. Newly elected or appointed directors shall participate in a formal Board orientation within a reasonable period following the commencement of their service.
2. Orientation shall focus on developing a working understanding of TCEC's governance framework and shall include, at a minimum:
 - The Cooperative's mission, goals, and governance structure
 - Fiduciary duties and collective Board authority
 - Cooperative bylaws and Board-adopted policies
 - Board structure, director representation, districts/zones, and election processes
 - The role and authority of the Credentials and Elections Committee
 - The President's Report, Board reporting cadence, and financial oversight responsibilities
 - Cooperative financial fundamentals, risk profile, and insurance considerations
3. Orientation shall be coordinated through Board-approved governance processes and structured to ensure directors are prepared to participate effectively, responsibly, and consistently with insurance and legal obligations.

B. Continuing Governance Development (Insurance-Aligned)

1. Directors are expected to maintain sufficient governance knowledge to fulfill their responsibilities effectively and to meet the expectations of applicable Directors & Officers (D&O) or Directors, Officers & Managers (DOM) liability insurance coverage.
2. Governance development shall prioritize understanding of:
 - Board policies and governance standards



- Cooperative bylaws and election processes
 - Financial statements, audits, internal controls, and risk indicators
 - The President’s Report and Board-level reporting materials
 - Recordkeeping, confidentiality, and cooperation obligations
3. Governance education is intended to reduce risk, support informed decision-making, and demonstrate good-faith compliance with insurance requirements, including expectations related to preparation, diligence, truthfulness, and cooperation.

C. Board-Level Learning and Alignment

1. The Board may periodically engage in structured discussions or learning sessions focused on governance clarity, policy understanding, risk awareness, and shared expectations.
2. These sessions shall be directly relevant to TCEC’s governance needs and structured to support Board cohesion, disciplined oversight, and insurance-aligned conduct.
3. Governance development activities shall not be used to justify operational involvement, individual agendas, or actions outside the Board’s proper role.

D. Individual Responsibility and Accountability

1. Directors are responsible for reviewing Board materials, including the President’s Report and related information, in advance of meetings as required under Board Policy #4 – Board Meeting Participation & Preparedness Policy.
2. Directors are expected to seek clarification when governance concepts, financial information, or Board processes are not understood.
3. Failure to remain informed of Board policies, bylaws, and reporting materials may increase legal and insurance exposure for both the Cooperative and individual directors.

E. Alignment with Legal and Insurance Requirements

1. Governance orientation and development activities shall be conducted in a manner consistent with Cooperative bylaws, Board policies, and applicable law.
2. Directors shall avoid engaging in activities framed as “education” that could create conflicts of interest, compromise confidentiality, or jeopardize insurance coverage.
3. Directors are expected to understand that D&O/DOM insurance coverage may be conditioned on reasonable preparation, adherence to governance processes, truthful conduct, and cooperation with internal reviews, audits, or claims-related inquiries.
4. Governance development under this policy is intended, in part, to support continued insurability and protection of individual directors.



Reporting and Enforcement

1. Participation in orientation and governance development may be considered as part of overall Board effectiveness, accountability, and risk management.
2. Concerns regarding compliance with this policy shall be addressed through the Board Chair or the Board acting as a body.
3. Persistent failure to meet governance preparation expectations may be addressed through Board processes consistent with Board policies, bylaws, and insurance considerations.

References / Review

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Policy #3 – Directors, Officers & Managers (DOM) Insurance Compliance Policy
- Board Policy #4 – Board Meeting Participation & Preparedness Policy
- Board Policy #7 – Board Elections, Campaigning, and Fair Practices Policy
- Board Policy #9 – Board Records Access, Integrity & Retention Policy
- Cooperative bylaws
- Applicable state and federal law
- Applicable Directors & Officers / Directors, Officers & Managers liability insurance policies

Originally Approved: February 2026

Last Reviewed: February 2026

Next Review: February 2027



Board Chair Authority, Meeting Decorum, and Governance Process Policy (Policy #11)

Purpose

The purpose of this policy is to clarify the authority of the Board Chair, establish expectations for meeting decorum and governance process, and support effective, orderly, and professional Board deliberations. This policy promotes collective decision-making, respectful engagement, and disciplined governance while reducing legal, operational, and insurance-related risk.

Scope

This policy applies to all members of the TCEC Board of Directors with respect to Board meetings, Board communications, governance processes, and interactions conducted in an official Board capacity.

Policy

A. Authority of the Board Chair

1. The Board Chair is responsible for facilitating Board meetings, maintaining order and decorum, and ensuring that meetings are conducted in accordance with the Cooperative's bylaws, adopted agendas, and Board policies.
2. The Chair has authority to recognize speakers, manage discussion, enforce time limits, rule on procedural matters, and redirect discussion to remain within the Board's governance role.
3. The Chair may call for breaks, recesses, or executive session as permitted by bylaws and law when necessary to preserve order, confidentiality, or effective deliberation.
4. The Chair's authority is exercised on behalf of the Board as a body and does not replace or diminish the Board's collective decision-making authority.

B. Meeting Decorum and Professional Conduct

1. Directors are expected to conduct themselves professionally and respectfully during Board meetings and related proceedings.
2. Disruptive behavior, personal attacks, intimidation, harassment, or conduct that undermines the orderly conduct of meetings is prohibited.
3. Directors shall respect the Chair's role in managing discussion and shall follow established procedures for raising questions, motions, or points of order.
4. Directors shall engage in debate constructively, focusing on issues and governance considerations rather than individuals.

C. Governance Process and Collective Action

1. Board authority is exercised only through formal action taken by the Board as a body at properly noticed meetings or through other means permitted by bylaws and law.
2. Directors shall not attempt to direct operations, staff, or external parties outside Board-approved processes.



3. Board decisions, once made, are binding on all directors, who are expected to support and uphold those decisions unless and until changed by the Board.
4. Directors shall speak with one voice outside the Boardroom regarding Board actions and shall not misrepresent Board decisions or processes.

D. Agenda Management and Preparation

1. Board agendas shall be established through Board-approved processes and reflect matters appropriate for governance-level discussion.
2. Directors are expected to review agenda materials, including the President's Report and supporting documentation, in advance of meetings in accordance with Board Policy #4 – Board Meeting Participation & Preparedness Policy.
3. Requests for agenda items shall be submitted through established processes and within reasonable timeframes to support effective preparation and discussion.

E. Alignment with Legal and Insurance Requirements

1. Board meetings and governance processes shall be conducted in compliance with Cooperative bylaws, applicable law, and Board policies.
2. Directors shall conduct themselves in a manner consistent with D&O/DOM insurance expectations, including professionalism, good faith participation, truthful conduct, and cooperation.
3. Failure to adhere to governance process and meeting decorum may increase legal and insurance exposure for both the Cooperative and individual directors.

Reporting and Enforcement

1. Concerns regarding meeting conduct, Chair authority, or governance process shall be raised with the Board Chair, or with the Vice Chair or full Board if the Chair is involved.
2. Alleged violations shall be reviewed consistent with Board policies, bylaws, due process requirements, and applicable law.
3. Substantiated violations may result in Board action consistent with Board policies and bylaws, including corrective action where permitted.
4. Matters presenting legal or insurance risk may be addressed in coordination with legal counsel and insurance requirements.

References / Review

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Policy #3 – Directors, Officers & Managers (DOM) Insurance Compliance Policy
- Board Policy #4 – Board Meeting Participation & Preparedness Policy
- Board Policy #7 – Board Elections, Campaigning, and Fair Practices Policy



- Board Policy #9 – Board Records Access, Integrity & Retention Policy
- Board Policy #10 – Board Orientation, Education, and Continuing Governance Development Policy
- Cooperative bylaws
- Applicable state and federal law
- Applicable Directors & Officers / Directors, Officers & Managers liability insurance policies

Originally Approved: February 2026

Last Reviewed: February 2026

Next Review: February 2027



Delegation of Authority (Non-Financial) (Policy #12)

Purpose

The purpose of this policy is to clearly affirm and organize the non-financial delegation of authority by the Board of Directors to the President and Chief Executive Officer (CEO). This policy supports effective governance by reinforcing role clarity, preserving appropriate separation between governance and management, and reducing legal, operational, and insurance-related risk.

This policy acknowledges the Cooperative's mission—to provide safe and reliable power at the lowest possible cost—and operates within that established framework. It does not reopen or redefine the mission or strategic direction previously approved by the Board.

Scope

This policy applies to the Board of Directors acting collectively and to the President and Chief Executive Officer in the execution of management responsibilities. This policy addresses non-financial authority only. Financial delegation of authority is governed by Board Policy #13 – Delegation of Financial Authority (formerly BP-118), which is incorporated into the Board Governance Guidebook without modification.

Board Governance Authority

The Board of Directors governs the Cooperative by acting collectively and in accordance with the Cooperative Bylaws and the Board Governance Guidebook. The Board's governance responsibilities include, but are not limited to:

1. Upholding and operating within the Cooperative's established mission.
2. Adopting, maintaining, and amending the Cooperative Bylaws and the Board Governance Guidebook.
3. Approving rate schedules and any necessary changes to rates in accordance with law and regulatory requirements.
4. Approving all new long-term debt and monitoring the appropriate use of short-term debt.
5. Approving the annual budget.
6. Hiring, evaluating, compensating, and, if necessary, terminating the President and Chief Executive Officer.
7. Providing governance-level oversight and engagement with the annual independent audit process, including asking productive questions and maintaining appropriate focus on financial controls and risk management.
8. Ensuring compliance with insurer requirements necessary to maintain Directors and Officers (D&O), Directors, Officers, and Managers (DOM), or comparable liability coverage.

The Board relies on independent, qualified external professionals—including GAAP-compliant financial auditors—to validate the accuracy and integrity of financial records and reporting.



Delegated Authority of the President and Chief Executive Officer (Non-Financial)

The Board affirms that the President and Chief Executive Officer holds authority and responsibility for the management and administration of the Cooperative's operations, except where authority is reserved to the Board by law, the Cooperative Bylaws, the Board Governance Guidebook, or the CEO employment agreement.

Non-financial authority delegated to the CEO includes, but is not limited to:

1. Organizational structure, staffing models, and internal management systems.
2. Hiring, supervision, evaluation, discipline, and termination of employees.
3. Assignment of duties and responsibilities across the organization.
4. Implementation of Board-approved governance direction and policies.
5. Day-to-day operational decision-making necessary to carry out the Cooperative's mission.
6. External representation of the Cooperative in operational, regulatory, and industry matters consistent with Board governance expectations.

The Board acknowledges and appreciates that this clear delegation allows directors to focus on governance responsibilities while enabling management to operate effectively and accountably. Board policies are directed to the Board itself and, where appropriate, to members in matters of universal application.

Relationship to the CEO Employment Agreement

This policy operates in alignment with the President and Chief Executive Officer employment agreement, including all amendments and extensions. Nothing in this policy modifies, replaces, or supersedes that agreement. In the event of any inconsistency, the employment agreement shall control.

Financial Authority Reference

Financial delegation of authority, including spending limits, approval thresholds, and budgetary controls, is governed exclusively by Board Policy #13 – Delegation of Financial Authority (formerly BP-118), which is incorporated into the Board Governance Guidebook without modification, along with any related Board-approved financial policies.

Individual Director Authority

Limitations on individual director authority are governed by Board Governance Policy #1 (Code of Conduct, Ethics, and Governance Standards). Nothing in this policy grants individual directors authority to direct management, employees, or operations outside of Board action taken collectively.

Accountability and Oversight

The President and Chief Executive Officer is accountable to the Board for the execution of delegated authority. Oversight occurs through an ongoing, professional relationship characterized by regular reporting, open dialogue, and shared clarity of roles. Formal evaluation processes complement—rather than replace—continuous governance engagement.



References

- Cooperative Bylaws
- Board Governance Guidebook
- Board Policy #13 – Delegation of Financial Authority (formerly BP-118)
- President and Chief Executive Officer Employment Agreement (as amended)
- Applicable state and federal law

Originally Approved: March 2026

Last Reviewed: March 2026

Next Scheduled Review: March 2027



Delegation of Financial Authority (Policy #13)

Purpose

The Delegation of Financial Authority Policy ("Policy") establishes the policy, manner and timeline in which the Tri-County Electric Cooperative, Inc. (TCEC) Board of Directors both empowers and holds the President & Chief Executive Officer accountable for all annual expenditures.

SCOPE

This Policy applies to, clarifies, and governs all TCEC financial disbursements, expenditures, purchasing decisions and selections associated with expenditures. There are no exceptions to the expenditures covered in this policy.

POLICY

The TCEC Board of Directors shall approve an annual budget for the cooperative. The budget shall outline the major categories of expenditures for the functions, projects, and proposals within that budget. Upon approval of the annual budget, the Board automatically and without further action, authorizes the President & Chief Executive Officer to execute that budget and report back on a quarterly basis for the results of that budget.

For increased transparency, the President & Chief Executive Officer may operate within the parameters of the total budget but may not exceed the total budget without a vote of the Board on any proposed budget amendments that may arise throughout the year.

To operate within the parameters of the approved annual budget, the President & Chief Executive Officer may reduce, delay, and or defer some portions of some projects as needed to comply with the total budget accountability. Transparent records will be provided on a quarterly basis for such shifts among budget line items, but no further authorization is needed for the President & Chief Executive Officer as long as the total budget expenditure is honored on the fiscal year.

Accountability and Oversight

The Cooperative's President & Chief Executive Officer shall be responsible for ensuring that the Cooperative's practices, internal controls and procedures adhere to the tenets of this policy and provides clear accountability for the results on an annual basis. He/she may choose to delegate parts of this authority with his/her teammates as needed to achieve the desired results, but in no way does his/her delegation absolve his/her responsibility for compliance with the original approved annual budget or a(n) approved amendment(s) to that budget.

The Board shall be responsible for validating the Cooperative's President & Chief Executive Officer compliance with this policy for each fiscal year. Further, it shall be the Board's responsibility to review and evaluate this Policy at the same time as any proposed budget amendments are voted on.



References

- Cooperative Bylaws
- Board Governance Guidebook
- Board Policy #12 – Delegation of Financial Authority
- President and Chief Executive Officer Employment Agreement (as amended)
- Applicable state and federal law

Originally Approved: May 2024

Last Reviewed: May 2024

Next Scheduled Review: May 2027



Director Election Policy (Policy #14)

The purpose of this policy is to establish procedures for Tri-County Electric Cooperative ("Cooperative") director elections intended to ensure fair and consistent practices and uphold the integrity of the election process. The Cooperative's Bylaws supersede any actual or perceived conflict with this policy.

Director Candidate Applications

Members seeking election to the Tri-County Electric Cooperative Board of Directors must submit a director candidate application to the Credentials and Elections Committee to be considered for the election ballot. Submission of an application to the committee is required for all individuals seeking election, including those who may later seek placement on the ballot as a petition candidate.

The committee will review each application, verify that the applicant meets the eligibility requirements established in the Cooperative's Bylaws, and conduct a candidate interview. Application materials will be posted to the Cooperative's website by the deadline established in the most recent Director Election Schedule ("election schedule").

Application Requirements

Legal Name Requirement:

Applicants must complete the Board of Directors application using their legal first and last name for the election ballot consistent with Internal Revenue Service and Cooperative Bylaw requirements. Titles, forms of address, designations, professional titles, or other credentials, such as education, military rank, or occupation, are prohibited.

Required Application Materials:

Applicants must complete all forms in the application packet and agree to all background checks and disclose information for conflict of interest. They must also complete an affidavit to attest to the accuracy of the information provided.

Petition Requirement:

Each applicant must submit, as part of their initial application, a petition containing twenty-five (25) handwritten and verifiable signatures of current members with voting residence in the director district the applicant seeks to represent. One signature per membership is permitted. All signatures must comply with the Cooperative's Bylaws and must be submitted on the petition form provided in the application materials.

Application Fee:

Following confirmation that the submitted application is complete, an invoice for the required application fee (\$150) will be emailed to the applicant. Payment must be received by the invoice due date in order for the application to be reviewed.

Biography:

Applicants must submit a biography in an electronic format compatible with Microsoft Word. Applicants are solely responsible for the content and must adhere to a 400-word limit. The Cooperative will not edit applicant submitted materials but reserves the right to require edits if content is deemed inappropriate for distribution to members or the public. Updates or resubmissions will not be accepted after the application deadline.



Eligibility Screening – Background and Qualification Verification

As part of the committee member application process, the Cooperative will conduct background checks and verify information provided by each applicant to determine compliance with the eligibility requirements established in the Cooperative's Bylaws.

If a background check or any other verifiable information reveals that an applicant has been convicted of, or pleaded guilty to, a felony or an offense involving moral turpitude, or if any information provided by the applicant is found to be materially inaccurate or incomplete, and such information would disqualify the applicant under the Bylaws, the application shall not be reviewed by the Credentials and Elections Committee and the applicant shall be immediately determined to be unqualified.

For purposes of this policy, offenses involving moral turpitude generally include, but are not limited to, crimes involving dishonesty, fraud, deceit, misrepresentation, theft, embezzlement, bribery, forgery, or other conduct reflecting a lack of integrity or ethical fitness to serve.

The Committee does not have discretion to override disqualification criteria established in the Bylaws. Applicants determined to be unqualified under this section shall not proceed to interview, nomination, or petition eligibility.

Petition Candidates

Applicants who have submitted a director candidate application and are determined by the Credentials and Elections Committee to meet the eligibility requirements established in the Cooperative's Bylaws but are not nominated, may become petition candidates by submitting the additional petition materials required by this policy.

To become a petition candidate, the applicant must resubmit their previously submitted application along with a petition containing twenty-five (25) additional handwritten and verifiable signatures from members with voting residence in the director district the applicant seeks to represent. All signatures must comply with the Cooperative's Bylaws and must be submitted by the deadline established in the election schedule. An invoice for the fifty-dollar (\$50) application fee will be emailed to the applicant and must be paid prior to the committee's review of the application materials. Individuals who do not resubmit their application to the Credentials and Elections Committee by the deadline established in the election schedule are not eligible to appear on the ballot as candidates.

Credentials and Elections Committee

All applicants must apply to be nominated by the Credentials and Elections Committee ("Committee"), which will include an interview. Failure to participate in an interview will result in the applicant's removal from all election consideration.

All application materials must be fully completed and submitted to a designated Committee email address provided in the application materials by the date indicated on the current year's election schedule. Incomplete applications will not be considered. Upon the Committee's request, the Applicant must provide additional information necessary to determine qualification.

The Committee shall provide a list of candidates, both nomination and petition candidates, to the Cooperative and contact all candidates with their decision.

Candidate Orientation

Candidate orientation materials shall be emailed to all Candidates by the deadline specified in the election schedule.



Candidate Questions

Questions will be answered by the Committee upon delivery by email at the designated email address provided in the application materials. Answers to questions submitted will be provided to all candidates unless the question applies uniquely to the Candidate's personal information.

Campaigning

"Campaigning" is defined for this policy as the distribution, posting, or display of any materials or direct communication to members (verbal, written, electronic, or otherwise) intended to influence the outcome of a Cooperative election. All campaigning activities must comply with federal, state, and local laws, including regulations governing direct communication and electronic messaging.

Campaigning on Cooperative premises, physical or electronic, is prohibited. Physical premises include parking lots, building exteriors or interiors, and any area of any facility where a Cooperative sponsored event, meeting, or activity is being held. Electronic premises include all Cooperative controlled digital spaces such as websites, social media channels, comment sections, apps, newsletters, and any other electronic platform operated or managed by the Cooperative.

This prohibition applies to candidates and their representatives. Candidates will be disqualified for any violations of this rule.

Use of the Cooperative Brand

Candidates may not deploy web pages or other campaign materials that suggest their candidacy is endorsed or supported by the Cooperative and may not use Cooperative logos or trademarks. Candidates who are incumbent directors may not use the director materials provided by the Cooperative or any other Cooperative resources for correspondence related to the election.

Candidate Withdrawal

A Candidate may withdraw from the election at any time by submitting a signed letter by email to the official election email address provided in the election materials. The Cooperative will use reasonable methods to advise the membership of the withdrawal if the Candidate's name has been made public. If time does not permit the withdrawn Candidate's name to be removed from the ballot, votes cast for the withdrawn Candidate will be counted but will be void.

Voting

1. A member is entitled to vote in accordance with the Cooperative's Bylaws. The election service provider shall ensure all voting is consistent with the Bylaws.
2. Candidates' names shall appear on the ballot in alphabetical order by last name, with their nomination type indicated (incumbent, nomination candidate, or petition candidate).
3. Voting shall open and close on the dates designated in the election schedule.
4. For each position, the Candidate receiving the highest number of votes shall be elected. If the Candidate with the highest number of votes has withdrawn, the Candidate with the next highest number of votes shall be elected.
5. Once the election service provider has certified the election results, an election service provider representative will announce the results at the Member Meeting and provide a written certification of results for inclusion in the Minutes of the Member Meeting.



Post-Election

After the conclusion of the Member Meeting, all elected Directors must execute and deliver all post-election documents and attend a director orientation.

Confidentiality

Cooperative employees performing duties under these procedures shall, to the fullest extent practical, keep confidential the name of any member who has made an inquiry or application seeking nomination until such time as noted in the election schedule.

All signatory-specific information on applicant petitions is private member information and will not be disclosed. Directors may not seek or be provided access to Candidate information by Cooperative employees except as necessary for such Directors to perform duties mandated by law, Cooperative governing documents, or this policy, notwithstanding Directors' usual access to confidential Cooperative information.

References

- Board Policy #1 – Code of Conduct, Ethics, and Governance Standards
- Board Policy #2 – Conflicts of Interest / Disclosure Policy
- Board Policy #3 – Directors, Officers & Managers (DOM) Insurance Compliance Policy
- Board Policy #5 – Confidential Information, External Communications & Media Policy
- Board Policy #6 – Whistleblower Reporting & Non-Retaliation Policy
- Board Policy #7 – Board Elections, Campaigning, and Fair Practices Policy
- Cooperative Bylaws
- Credentials and Elections Committee Guidebook
- Applicable state and federal law

Originally Approved: April 2026

Last Reviewed: April 2026

Next Review: April 2027



Appendix



Tri-County Electric Cooperative, Inc.

**DIRECTOR ELECTION
APPLICATION PACKET**



Director Election Application Packet

Application Checklist

Members interested in seeking nomination to the Tri-County Electric Cooperative Board of Directors are encouraged to understand the nomination process by reading the following:

- Director Election webpage, www.tcectexas.com/director-elections
- Tri-County Electric Cooperative's Bylaws, Article 2
- Tri-County Electric Cooperative's Board Governance and Credentials and Elections Committee

Guidebooks

Members must submit the following to the Credentials and Elections Committee to be considered as a director candidate:

- Complete Board of Directors Application
- Conflict of Interest Certification and Disclosure Form
- Background Check Consent Form
- Petition, with at least 25 signatures from members within your district

Applicants are encouraged to collect additional signatures in the event membership cannot be verified. Applicants qualified, but not nominated by the Credentials and Elections Committee will be required to submit 50 signatures to be nominated by petition.

- Application fee of \$150.00

An invoice will be sent by email once the application period has ended. Payment must be made by the invoice due date for the committee to review your application.

- Candidate biography
Requirements are listed in the election policy.

- Copy of driver's license

- Signed and notarized affidavit

Members are encouraged to submit a résumé with applicable career and community experience, or a letter expressing their interest in seeking nomination to the Tri-County Electric Cooperative Board of Directors. This information will be reviewed by the Credentials and Elections Committee.

Completed applications must be submitted by email to the Credentials and Elections Committee at elections@tcectexas.com by {date} at {time}.



Director Election Application Packet

TRI-COUNTY ELECTRIC COOPERATIVE, INC.

BOARD OF DIRECTORS APPLICATION

Name: _____

First

Middle

Last

Primary Physical Residence

Address: _____

Phone: _____ Email: _____

Employer (if applicable)

Name: _____

Your title: _____

Address: _____

Phone: _____

Type of business or organization: _____

Primary services and area served: _____

Please list boards and committees that you serve on:

Organization

Title

Date of Services

1. Please attach biographical material in an electronic format that Microsoft Word can open. Applicants are solely responsible for content and must adhere to a 400-word limit. The Cooperative will not edit applicants' materials but reserves the right to require edits if the material is deemed inappropriate to share with Members and the public. Updates to biographical material will not be accepted after the application deadline.
2. Are you a natural person, citizen of the United States, individual member of TCEC receiving service from your primary residential abode, and reside within the district for a period of (3) years to which such director is elected to represent?
Yes _____ No _____



Director Election Application Packet

3. Do you have the capacity to enter legally binding contracts?
Yes _____ No _____

4. Have you been previously removed or disqualified as a director?
Yes _____ No _____
If yes, please explain: _____

5. Have you been convicted of, or plead guilty to a felony, or found guilty of any offense involving moral turpitude?
Yes _____ No _____
If yes, please explain: _____

6. Have you graduated from high school or earned an equivalent degree or certification?
Yes _____ No _____

7. Are you in any way employed or financially interested, or been employed or interested within the past five years, in any competitive enterprise, business or partnership selling electrical energy or any service provided by the cooperative or its affiliates?
Yes _____ No _____
If yes, please explain: _____

8. Are you a close relative of an incumbent director or of an employee of the cooperative? (This provision shall not prohibit the eligibility of a close relative of an incumbent director from seeking such position if the conflict is eliminated by the election)
Yes _____ No _____
If yes, please explain: _____

9. Do you agree to comply with any other reasonable qualifications as determined by the Board?
Yes _____ No _____
If no, please explain: _____

10. Are you an employee of the cooperative, or spouse of an employee of the cooperative, or former employee, or spouse of a former employee, who was employed by the cooperative at any time?
Yes _____ No _____
If yes, please explain: _____

11. During the three (3) years immediately before applying to become a director have you complied with all provisions of the cooperative bylaws?
Yes _____ No _____

12. Do you hold any appointed or elected position of national, state, county or city public office or are you a school board member, county commissioner, or zoning commission member or have you held any positions referenced within the past three years?
Yes _____ No _____
If yes, please explain: _____



Director Election Application Packet

13. Do you agree not to seek or take an elected position to public office during your term as a TCEC Board member?

Yes _____ No _____

14. During the five (5) years immediately before becoming a director have you been employed by, control, own more than ten percent (10%) of, serve as a director or officer of, or receive more than ten percent (10%) of annual gross income from an entity that: Advances the entity's pecuniary interest by competing with the cooperative or a cooperative subsidiary or cooperative affiliate, providing a good or service similar to a good or service provided by the cooperative or a cooperative subsidiary or a cooperative affiliate providing electric energy or a good or service related to providing electric energy.

Yes _____ No _____

If yes, please explain: _____

A. Membership Director Qualifications

To become and remain a Director, I understand and must comply with the following membership qualifications as evidenced by my initials below:

1. while a director and during the three (3) years immediately before becoming a director, a member must:
 - a. be an unsuspended member in good standing of the cooperative, by having met and adhered to the payment history policies in accordance with the establishment of credit requirements contained in the cooperative's tariff.
 - b. permanently reside or use electric energy provided by the cooperative, at the individuals principal residence as defined under federal tax law within the service area, or the director district from which the director is nominated or elected.
 - c. comply with application, petition and election standards set forth for election to the Board of Directors.
 - d. except as otherwise provided by the Board for good cause, attend at least two-thirds (2/3) of all board meetings during each twelve (12) month period; and
 - e. maintain the confidentiality of cooperative business discussed by the Board. Confidential cooperative business includes: all undisclosed matters covered or discussed in executive session of the Board; as well as all confidential information and business plans and trade secrets; private directors, employee or member information; potential or pending acquisition of real or personal property of the cooperative; operational plans and business promotions; power supply and generation interests; and all power distribution plans; until the Board has collectively agreed to the terms and timing for public disclosure of such information.
2. while a director and during the three (3) years immediately before becoming a director, a member must comply all provisions of the cooperative bylaws.



Director Election Application Packet

B. Independent Director Qualifications.

To become and remain a director, I understand and must comply with the following independence qualifications as evidenced by my initials below:

1. annually complete and sign an independence certification and disclosure form approved by the Board.
2. while a director, not be employed by another director, or be employed by, or receive more than ten percent (10%) of annual gross income from, an entity for which another director controls, owns more than ten percent (10%), or is a director or officer; and
3. while a director and during the five (5) years immediately before becoming a director, not be employed by, control, own more than ten percent (10%) of, serve as a director or officer of, or receive more than ten percent (10%) of annual gross income from an entity that:
 - a. advances the entity's pecuniary interest by competing with the cooperative or a cooperative subsidiary or cooperative affiliate, providing a good or service similar to a good or service provided by the cooperative or a cooperative subsidiary or a cooperative affiliate providing electric energy or a good or service related to providing electric energy.
4. while a director, not engage in any behavior, actions or activities that (1) subject either the director or the cooperative to ridicule or embarrassment; (2) adversely affect the directors or the cooperatives reputation; (3) interfere with or diminish the directors standing as a cooperative ambassador and representative; or (4) are contrary to the best interests of the cooperative and its employees.

C. Director Disqualification.

To become and remain a Director, I understand and must comply with the following qualifications as evidenced by my initials below:

After being elected, designated, or appointed to the TCEC Board of Directors and if a director does not comply with all director qualifications, then for good cause as determined by the Board, the Board may discipline or remove the director from office. Discipline for such violations may include, but are not limited to, reprimand, censure, or removal, depending on the severity of the violation; and may also include limiting a director's compensation or other benefits.



Director Election Application Packet

******Information obtained below may be used for reporting requirements to the Internal Revenue Service (“IRS”) on the TCEC’s annual IRS form 990. By signing this application, applicant consents to company providing this information on the it’s annual form 990 which will be filed with the IRS.******

Did the Cooperative provide you or an interested person with a grant or other assistance, regardless of amount?

Yes _____ No _____

If yes, please explain: _____

Do you or your family have a direct or indirect business relationship with the Cooperative? **

Yes _____ No _____

If yes, please explain: _____

Are you “independent?” ***

Yes _____ No _____

If no, please explain: _____

Do you or have you have/had a family or business relationship with another officer, director, trustee, or key employee? **

Yes _____ No _____

If yes, please explain: _____

Have you received reportable compensation or other compensation from a related organization as a current or former officer, director, trustee, key employee, or highest compensated employee?

Yes _____ No _____

If yes, please explain: _____

I have completed the Board of Directors Application for Tri-County Electric Cooperative, Inc. I have had an opportunity to review TCEC’s bylaws and any other relevant documents including, but not limited to, Form 990 and related definitions of the Department of the Treasury Internal Revenue Service. I hereby certify that the information set forth is true and complete to the best of my knowledge.

Signature: _____

Date: _____

** For purposes of this application:

Family Member and Family Relationship. A “family member” of an individual includes, and a “family relationship” of an individual includes relationships with, his or her spouse, ancestors, brothers and sisters – whether whole or half blood, children – whether natural or adopted, grandchildren, great grandchildren, and spouses of brothers, sisters, children, grandchildren, and great grandchildren. Spouse includes an individual married to a person of the same sex if the individuals are lawfully married under state law for the state in which the marriage is entered into, regardless of domicile. (IRS Definition, Form 990 10 E)

*** For purposes of this application:

Independent. (i) Received no compensation as an officer of the cooperative (ii) did not receive more than

\$10,000 during tax year as an independent contractor or related organizations, or (iii) neither you nor a family member were involved in a transaction with cooperative or a related organization.

Completed applications must be submitted by email to the Credentials and Elections Committee at Page | 51 elections@tcectexas.com by {date} at {time}.



Director Election Application Packet

Conflict of Interest Certification and Disclosure Form

As defined in the Tri-County Electric Cooperative, Inc.'s Conflicts of Interest / Disclosure Policy ("Policy"), the undersigned Applicant:

1. Affirms that the Applicant has received or has access to, has read, and understands the most current version of the Policy;
2. Agrees to comply with the Policy;
3. Based upon Applicant's good faith belief, to the best of Applicant's knowledge, and except as disclosed below, certifies that Applicant currently complies with the Policy;
4. Discloses the following information or facts regarding any actual or potential income, employments, compensation, conflicting interest transaction, business opportunity, or pecuniary benefit, or other information or fact, that could impact Applicant's compliance with the Policy:

5. Upon discovering any information or fact regarding any actual or potential income, employment, compensation, conflicting interest transaction, business opportunity, or pecuniary benefit, or other information or fact, that could impact Applicant's compliance, or another Applicant's compliance, with the Policy, agrees to disclose this information or fact to the Credentials and Elections Committee; and,
6. Upon not complying with the Policy, agrees to any sanction, disqualification, removal, or other action taken under the Policy.

Applicant Name, Printed

Applicant Signature



Director Election Application Packet

Background Check Consent Form

Members applying to serve on the Tri-County Electric Cooperative Board of Directors are subject to reasonable credit and criminal background checks, as outlined in Article 2 of the Cooperative's bylaws.

Disclosure

Tri-County Electric Cooperative may obtain information about you from a third-party consumer reporting agency for the Credentials and Elections Committee.

Thus, you may be the subject of a "consumer report" or "investigative consumer report" which may include information about your character, general reputation, personal characteristics, and/or mode of living. These reports may contain information regarding your credit history, criminal history, public court records, social security verification, motor vehicle records ("driving records"), verification of your education or employment history, or other background checks, subject to any limitations imposed by applicable federal and state law.

You have the right, upon written request made within a reasonable time, to request whether a consumer report has been run about you and to request a copy of your report. These searches will be conducted by Foley Carrier Services, LLC, 2 Huntington Quadrangle, South Building, Second Floor, Suite 2S04, Melville, NY 11747, phone number (631) 557-0100, www.foleyservices.com.

Acknowledgement and Authorization

I acknowledge that I read and understand the "Disclosure" above regarding the background check investigation and the document, "A Summary of Your Rights Under the Fair Credit Reporting Act" online at www.tcectexas.com/director-elections. I hereby authorize Tri-County Electric Cooperative to obtain any necessary "consumer reports" and/or "investigative consumer reports" at any time after receipt of this authorization and throughout my term as a director of the cooperative, if applicable. To this end, I hereby authorize, without reservation, any law enforcement agency, administrator, state or federal agency, institution, school or university (public or private), information service bureau, employer, or insurance company to furnish all background information requested by Foley Carrier Services, LLC, 2 Huntington Quadrangle, South Building, Second Floor, Suite 2S04, Melville, NY 11747, phone number (631) 557-0100, www.foleyservices.com, and/or company. I agree that an electronic or photographic copy of this Authorization shall be as valid as the original.

Applicant Name, Printed

Applicant Signature

Completed applications must be submitted by email to the Credentials and Elections Committee at elections@tcectexas.com by {date} at {time}.



Director Election Application Packet

Affidavit of Application

I, _____, do hereby attest the information included in this application for director candidacy was submitted in good faith, is true and accurate to the best of my knowledge.

Applicant Signature

Date

ACKNOWLEDGEMENT

STATE OF TEXAS COUNTY OF _____

This instrument was acknowledged before me on this day of _____, 20_____,

by _____.

Notary Public, State of Texas



Director Election Application Packet

Petition

Members interested in seeking nomination to the Tri-County Electric Cooperative Board of Directors must include a petition with verifiable and valid member signatures with their application. Verifiable signatures of Tri-County Electric Cooperative members are required from members living within or who have designated a voting residence within the board district from which a member is seeking election.

Director applicants seeking nomination must submit a petition with at least **25 signatures**. Applicants qualified, but not nominated by the Credentials and Elections Committee must submit a petition with at least **50 signatures** to be nominated by petition.

Applicants are encouraged to collect additional signatures in the event membership cannot be verified. Signatures where the printed name is not legible may not be validated. Please refer to Tri-County Electric Cooperative Bylaws and Election Policy for more information. These documents can be found online at www.tcctexas.com/director-elections.



Applicant Name: _____

Board District: _____

Member Signatures

Name (Print): _____

TCEC Billing Address: _____

Signature: _____



Name (Print): _____

TCEC Billing Address: _____

Signature: _____



Name (Print): _____

TCEC Billing Address: _____

Signature: _____



Name (Print): _____

TCEC Billing Address: _____

Signature: _____



Name (Print): _____

TCEC Billing Address: _____

Signature: _____



Name (Print): _____

TCEC Billing Address: _____

Signature: _____

Print as many pages as needed to fulfill petition requirement

**Request for Taxpayer
 Identification Number and Certification**

Go to www.irs.gov/FormW9 for instructions and the latest information.

Give form to the
 requester. Do not
 send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See <i>Specific Instructions</i> on page 3.	1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)	
	2 Business name/disregarded entity name, if different from above.	
	3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C corporation <input type="checkbox"/> S corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) _____ Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) _____	
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) _____ (Applies to accounts maintained outside the United States.)	
	3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions _____ <input type="checkbox"/>	
	5 Address (number, street, and apt. or suite no.). See instructions.	Requester's name and address (optional)
	6 City, state, and ZIP code	
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number																					
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Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
 2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
 3. I am a U.S. citizen or other U.S. person (defined below); and
 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.
- Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person	Date
------------------	--------------------------	------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

Cooperative Giving Payroll Deduction Form

Employee Name

Employee Number

Tri-County Electric Charitable Foundation

Tri-County Electric Charitable Foundation uses generous, voluntary donations to fund projects that benefit Tri-County Electric Cooperative members and uplift the community.



Deduction Amount

\$1/paycheck \$2/paycheck \$5/paycheck \$10/paycheck Other/paycheck: \$

One Time Contribution: \$

**Deductions will begin with the next payroll period.*

Employee Signature

Date

Cares Payroll Deduction Form

Employee Name

Employee Number

Tri-County CARES

Tri-County CARES, Tri-County Electric Cooperative's employee beneficiary organization, strives to provide a positive work environment and support system by providing assistance to employees, their families and the community.



Deduction Amount

\$1/paycheck \$2/paycheck \$5/paycheck \$10/paycheck Other/paycheck: \$

One Time Contribution: \$

**Deductions will begin with the next payroll period.*

Employee Signature

Date

Direct Deposit Information

To: Accounting Department

Date: _____

Subject: Direct Deposit

Below is the information needed to direct deposit my net pay into my bank account.
I have a **“VOIDED CHECK”** enclosed with my request.

Name – (Printed)

Signature

Bank Name - Printed

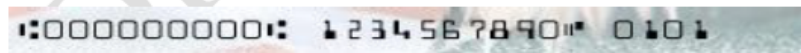
Checking _____ Savings

Bank Routing Number

Account Number

% (or \$ amount) of Net Pay to this Account

Enclose a Voided Check or Direct Deposit information sheet from your banking institution along with this information. It cannot be processed without it.



Routing/Transit Number
Is a 9-digit number that identifies
The financial institution where your
Checking account is located.

Account Number
this is your account
number

Check Number
the financial institution scans the
check number electronically in order
For it to appear on your
monthly statement

*W-9 Form is Required for New Committee Members

Federated Rural Electric Insurance Exchange

Directors Liability Application

Within the scope of the proposed insurance, has any Director, Trustee or Officer any knowledge or information of any negligent act, error, omission or breach of duty which he reasonably should expect could give rise to a claim against him? Yes or No

(If the answer is yes, please attach full details.)

Director Signature _____ Date _____

Director Title _____

Director Photo Release and Waiver

I hereby give Tri-County Electric Cooperative, Inc. (TCEC), my consent to photograph, videotape and record my image and/or voice for use by TCEC, including but not limited to intracompany communications, internal and external advertisement, and public relations.

I further understand no compensation will be provided to me or my family members for use of my image or recording, and that I may not be informed in advance of the specific use of my image or recording. I waive any right to inspect or approve the finished photograph, video, recording, electronic advertising or printed material. I understand my image and voice can be used by TCEC while currently serving as a member of the Board of Directors or no longer serving as a member of the Board of Directors of the company.

By signing below, I acknowledge that I have read and understand the Director Photo Release, and further agree to the terms contained within this document:

- I agree to allow TCEC to use my photograph for company use.
- I DO NOT agree to allow TCEC to use my photograph for company use.

Director Name (Please Print)

Date

Director Signature

Director Confidentiality Agreement

WHEREAS _____ (hereinafter referred to as “Director”) has been elected to the Board of Directors of Tri-County Electric Cooperative, Inc., a Texas corporation, (hereinafter referred to as “Company” and /or “Cooperative”); and,

WHEREAS, Director, in connection with his/her election with the Company Board of Directors may, in the course of scope of his/her duty, come into contact, have access to, or otherwise acquire confidential or proprietary information that might otherwise relate to the employees, their compensation, their medical conditions, Company projects, both present and anticipated, as well as Company strategies, plans, and proposals; and,

WHEREAS, the Company wishes to protect and preserve the integrity of its internal organization, as well as the privacy of each of its employees and directors; and,

WHEREAS, the undersigned, as a condition of his/her election to the Cooperative Board of Directors acknowledges and agrees to be bound by this covenant not to use or otherwise disclose confidential information; and,

WHEREAS, the parties wish to memorialize the understanding and agreement between the Company and the Director, and do hereby make the following agreement:

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for and in consideration of the continued election to the Board of Directors by the membership, the undersigned Director does specifically agree:

- a. Director will not at any time during or following election, in any fashion, form, or manner, either directly or indirectly, divulge, disclose, or communicate to any person, firm, or corporation in any manner whatsoever any information of any kind, nature, or description concerning any matters affecting or relating to the business of the Cooperative, its manner of operation, its plans, processes, or other data of any kind nature, or description without regard to whether any or all of the foregoing matters would be deemed confidential, material, or important.
- b. Directors will not at any time during or following service on the Board of Directors, in any fashion, form, or manner, either directly or indirectly, divulge, disclose, or communicate to any person, firm or corporation in any manner whatsoever any personal or private information concerning any other Director or employee that might otherwise be obtained through his or her election with the Company, including wage scales, medical condition or other information that would otherwise be considered personal to a Director or employee. It being the intent at all times to reserve and protect the personal and private lives of the Cooperative.
- c. The parties stipulate that, as between them, the matters are important, material, and confidential and gravely affect the effective and successful conduct of the business of the Cooperative and its goodwill, and that any breach of the terms of this section is material breach of his/her agreement.
- d. Any breach of this covenant by the undersigned Director shall be considered as extremely serious matter by the Cooperative and shall be grounds for Board action.

Director Signature

Date



Tri-County Electric Cooperative, Inc.

Board of Directors

Annual Oath of Office

5. Have you graduated from high school or earned an equivalent degree or certification?
Yes _____ No _____

6. Are you in any way employed or financially interested, or been employed or interested within the past five years, in any competitive enterprise, business or partnership selling electrical energy or any service provided by the cooperative or its affiliates?
Yes _____ No _____
If yes, please explain: _____

7. Are you a close relative of an incumbent director or of an employee of the cooperative? (This provision shall not prohibit the eligibility of a close relative of an incumbent director from seeking such position if the conflict is eliminated by the election)
Yes _____ No _____
If yes, please explain: _____

8. Do you agree to comply with any other reasonable qualifications as determined by the Board?
Yes _____ No _____
If no, please explain: _____

9. Are you an employee of the cooperative, or spouse of an employee of the cooperative, or former employee, or spouse of a former employee, who was employed by the cooperative at any time?
Yes _____ No _____
If yes, please explain: _____

10. During the three (3) years immediately before applying to become a director have you complied with all provisions of the cooperative bylaws?
Yes _____ No _____

11. Do you hold any appointed or elected position of national, state, county or city public office or are you a school board member, county commissioner, or zoning commission member or have you held any positions referenced within the past three years?
Yes _____ No _____
If yes, please explain: _____

12. Do you agree not to seek or take an elected position to public office during your term as a TCEC Board member?
Yes _____ No _____

13. During the five (5) years immediately before becoming a director have you been employed by, control, own more than ten percent (10%) of, serve as a director or officer of, or receive more than ten percent (10%) of annual gross income from an entity that: Advances the entity's pecuniary interest by competing with the cooperative or a cooperative subsidiary or cooperative affiliate, providing a good or service similar to a good or service provided by the cooperative or a cooperative subsidiary or a cooperative affiliate providing electric energy or a good or service related to providing electric energy.
Yes _____ No _____
If yes, please explain: _____

D. Membership Director Qualifications

To become and remain a Director, I understand and must comply with the following membership qualifications as evidenced by my initials below:

1. while a director and during the three (3) years immediately before becoming a director, a member must:
 - a. be an unsuspended member in good standing of the cooperative, by having met and adhered to the payment history policies in accordance with the establishment of credit requirements contained in the cooperative's tariff.
 - b. permanently reside or use electric energy provided by the cooperative, at the individuals principal residence as defined under federal tax law within the service area, or the director district from which the director is nominated or elected.
 - c. comply with application, petition and election standards set forth for election to the Board of Directors.
 - d. except as otherwise provided by the Board for good cause, attend at least two-thirds (2/3) of all board meetings during each twelve (12) month period; and
 - e. maintain the confidentiality of cooperative business discussed by the Board. Confidential cooperative business includes: all undisclosed matters covered or discussed in executive session of the Board; as well as all confidential information and business plans and trade secrets; private directors, employee or member information; potential or pending acquisition of real or personal property of the cooperative; operational plans and business promotions; power supply and generation interests; and all power distribution plans; until the Board has collectively agreed to the terms and timing for public disclosure of such information.

2. while a director and during the three (3) years immediately before becoming a director, a member must comply all provisions of the cooperative bylaws.

E. Independent Director Qualifications.

To become and remain a director, I understand and must comply with the following independence qualifications as evidenced by my initials below:

1. annually complete and sign an independence certification and disclosure form approved by the Board.
2. while a director, not be employed by another director, or be employed by, or receive more than ten percent (10%) of annual gross income from, an entity for which another director controls, owns more than ten percent (10%), or is a director or officer; and
3. while a director and during the five (5) years immediately before becoming a director, not be employed by, control, own more than ten percent (10%) of, serve as a director or officer of, or receive more than ten percent (10%) of annual gross income from an entity that:
 - a. advances the entity's pecuniary interest by competing with the cooperative or a cooperative subsidiary or cooperative affiliate, providing a good or service similar

to a good or service provided by the cooperative or a cooperative subsidiary or a cooperative affiliate providing electric energy or a good or service related to providing electric energy.

4. while a director, not engage in any behavior, actions or activities that (1) subject either the director or the cooperative to ridicule or embarrassment; (2) adversely affect the directors or the cooperatives reputation; (3) interfere with or diminish the directors standing as a cooperative ambassador and representative; or (4) are contrary to the best interests of the cooperative and its employees.

F. Director Disqualification.

To become and remain a Director, I understand and must comply with the following qualifications as evidenced by my initials below:

After being elected, designated, or appointed to the TCEC Board of Directors and if a director does not comply with all director qualifications, then for good cause as determined by the Board, the Board may discipline or remove the director from office. Discipline for such violations may include, but are not limited to, reprimand, censure, or removal, depending on the severity of the violation; and may also include limiting a director's compensation or other benefits.

****Information obtained below may be used for reporting requirements to the Internal Revenue Service ("IRS") on the TCEC's annual IRS form 990. By signing this application, applicant consents to company providing this information on the it's annual form 990 which will be filed with the IRS.****

Did the Cooperative provide you or an interested person with a grant or other assistance, regardless of amount?

Yes _____ No _____

If yes, please explain: _____

Do you or your family have a direct or indirect business relationship with the Cooperative? **

Yes _____ No _____

If yes, please explain: _____

Are you "independent?" ***

Yes _____ No _____

If no, please explain: _____

Do you or have you have/had a family or business relationship with another officer, director, trustee, or key employee? **

Yes _____ No _____

If yes, please explain: _____

Have you received reportable compensation or other compensation from a related organization as a current or former officer, director, trustee, key employee, or highest compensated employee?

Yes _____ No _____

If yes, please explain: _____

I have completed the Board of Directors Annual Oath of Office for Tri-County Electric Cooperative, Inc. I have had an opportunity to review TCEC's bylaws and any other relevant documents including, but not limited to, Form 990 and related definitions of the Department of the Treasury Internal Revenue Service. I hereby certify that the information set forth is true and complete to the best of my knowledge.

Signature: _____

Date: _____

** For purposes of this application:

Family Member and Family Relationship. A "family member" of an individual includes, and a "family relationship" of an individual includes relationships with, his or her spouse, ancestors, brothers and sisters – whether whole or half blood, children – whether natural or adopted, grandchildren, great grandchildren, and spouses of brothers, sisters, children, grandchildren, and great grandchildren. Spouse includes an individual married to a person of the same sex if the individuals are lawfully married under state law for the state in which the marriage is entered into, regardless of domicile. (IRS Definition, Form 990 10 E)

*** For purposes of this application:

Independent. (i) Received no compensation as an officer of the cooperative (ii) did not receive more than \$10,000 during tax year as an independent contractor or related organizations, or (iii) neither you nor a family member were involved in a transaction with cooperative or a related organization.

Conflict of Interest Certification and Disclosure Form

As defined in the Tri-County Electric Cooperative, Inc.’s Conflicts of Interest / Disclosure Policy (“Policy”), the undersigned Director:

- 1. Affirms that the Director has received or has access to, has read, and understands the most current version of the Policy;
- 2. Agrees to comply with the Policy;
- 3. Based upon Director’s good faith belief, to the best of Director’s knowledge, and except as disclosed below, certifies that Applicant currently complies with the Policy;
- 4. Discloses the following information or facts regarding any actual or potential income, employments, compensation, conflicting interest transaction, business opportunity, or pecuniary benefit, or other information or fact, that could impact Director’s compliance with the Policy:

- 5. Upon discovering any information or fact regarding any actual or potential income, employment, compensation, conflicting interest transaction, business opportunity, or pecuniary benefit, or other information or fact, that could impact Director’s compliance, or another Director’s compliance, with the Policy, agrees to disclose this information or fact per Conflicts of Interest / Disclosure Policy (Policy #2); and,
- 6. Upon not complying with the Policy, agrees to any sanction, disqualification, removal, or other action taken under the Policy.

Director Name, Printed

Director Signature

Affidavit of Annual Oath of Office for Directors

I, _____, in my capacity as a Director, hereby affirm that the information provided in this annual Oath of Office is submitted in good faith and is true and accurate to the best of my knowledge.

Director Signature

Date