

GRADY ELECTRIC MEMBERSHIP CORPORATION

Policy Number: 20.00

Date Adopted: October 1, 2014

Reviewed: October 1, 2014

SUBJECT: MEMBER ACCESS TO COOPERATIVE INFORMATION

I. OBJECTIVE:

- A. To establish the type of information routinely available to members without restriction or condition, the types of information made available to member only upon proper written request, and the type of information that must, in the best interest of the Cooperative and members, be maintained as confidential information and, therefore, may not be made available to members.
- B. To provide members appropriate access to Cooperative information that is germane to their legitimate interest in the Cooperative, subject to appropriate safeguards to protect trade secrets, confidential, private or other sensitive information, and security.

II. POLICY CONTENT:

The Board of Directors of Grady Electric Membership Corporation (the "Cooperative") has resolved that the statements contained herein shall govern member access to Cooperative information.

The Board of Directors of the Cooperative shall strive to keep the Cooperative's members adequately informed about the Cooperative's operations and financial condition through its newsletter and reports at its annual meeting. At the same time, to the extent permitted by law, the Board of Directors shall strive to maintain the confidentiality of private or personal information of the members.

- A. **Information Routinely Available to Members.** In furtherance of these objectives, the Cooperative shall, without charge, provide copies of the following information upon the oral request of a member in good standing:
 - 1. The Cooperative's articles of incorporation, bylaws, consumer policies, rates, charges and service rules and regulations;
 - 2. Any publications the Cooperative may have for general distribution relating to the efficient or safe use of electric energy, the Cooperative's energy use and conservation programs, and the like;
 - 3. Year-end operating and other financial reports, for the Cooperative's previous three fiscal years, that are regularly made to the Rural Utilities Service, and/or the National Rural Utilities Cooperative Finance Corporation;

4. The minutes of any prior member meeting; and/or
5. A copy of the Cooperative's IRS Form 990 for the last three fiscal years (which shall be provided to *anyone* (regardless of member status) upon request).

B. Information Available to Member Upon Proper Written Request. Subject to the conditions and limitations set forth below and in the Georgia Territorial Electric Service Act, copies of the following information will be provided to any member in good standing upon such member's written request to the President/General Manager or, in his absence, to the Cooperative's attorney, on the attached Request for Information Affidavit and Agreement:

1. The minutes of any prior meeting of the Board of Directors;
2. Monthly or other periodic or special operating and financial reports submitted by management to the Board of Directors;
3. Formal audit reports rendered periodically by independent auditors; and
4. Other Cooperative information relevant to a member's interest.

C. Privileged, Confidential, Proprietary, or Private Information. Subject to the conditions and limitations set forth below and in the Georgia Territorial Electric Service Act, a member in good standing who submits a written request on the attached Request for Information Affidavit and Agreement may inspect (or will be provided within a reasonable time) membership records showing the number of members and the names and addresses of those members who have consented in writing to the release of their name and address. Disclosure of the membership records for improper purposes shall not be permitted, and the Cooperative may seek judicial protection or court imposed conditions on the use of the Cooperative's membership records. In no event shall a non-member or member not in good standing be permitted to inspect or obtain copies of the membership records, or to have the Cooperative distribute correspondence to members.

D. Denial or Limitation of Request. Any inspection or request for the information listed in Paragraphs II (B) or (C) above may be denied or limited if such request is for an unlawful purpose or:

1. The member fails or refuses to complete, sign and submit the attached Request for Information Affidavit and Agreement and to make the warranties and representations set forth therein.
2. If the request is not for a proper purpose. Examples of proper purposes of such request is to: (a) allow a candidate properly nominated for election to the Board of Directors to solicit the votes of members, (b) obtain signatures on a written petition for a special meeting of the members called for a proper purpose or purposes, or (c) pursue some lawful objective reasonably related to the business of the Cooperative.
3. If the member refuses to agree to restrict his or her use of such information in such lawful manner as is necessary to protect the legitimate interests of the Cooperative, its members or employees.

4. If the information sought is of such a nature that if disclosed such disclosure would:
 - a. Unduly infringe upon, invade, or violate a person's right to privacy, violate any agreement with third parties with respect to trade secrets, or adversely affect the Cooperative in its negotiations with third parties;
 - b. Adversely affect the Cooperative and its operations unduly out of proportion to the possible competing interest of the member seeking such information; or
 - c. Violate the privilege of confidential communication between the Cooperative and its attorney(s) or accountant(s).
5. The request is for a dishonest purpose, to gratify mere curiosity, to advance a personal vendetta or course of action, or is otherwise harmful or contrary to the lawful interest and operations of the Cooperative, its members or employees.
6. If the information requested deals with trade secrets or other information which is privileged, confidential or proprietary.
7. If the information requested is sought for a personal commercial purpose unrelated to the member's legitimate interest in the Cooperative.
8. If the member intends to sell or offer to sell any list of members of the Cooperative and I have not, within a five year period, aided or abetted, and do not now intend to aid or abet any other person in procuring any list of members for such purpose.

E. Member Email Addresses and Phone Numbers. In order to protect member privacy, the Cooperative will not provide to members, absent a legal obligation, extraordinary circumstances or the express permission of all members involved, any member e-mail addresses or phone numbers.

F. Costs. The Cooperative shall absorb the cost of making available the information set forth in Paragraph II (A) above. Otherwise, a member shall be required to reimburse the Cooperative for all employee time beyond 15 minutes required to retrieve, compile and copy the information requested by such member. Charges for employee time shall be based on the rate of pay for the lowest paid employee authorized to retrieve, compile and copy the requested information. Copying charges shall be assessed at a rate of 25¢ per page.

G. Arbitration. Should the Cooperative and a member disagree as to the member's right to the requested information, the Cooperative and the member may agree to submit the issue to arbitration. The panel to hear the arbitration shall be comprised of one arbitrator appointed by the Cooperative and one arbitrator appointed by the member or members taking the conflicting position. The two arbitrators appointed in this manner shall then select a third arbitrator to complete the panel of arbitrators. Unless otherwise agreed, the arbitration shall be conducted under the rules, policies and procedures prescribed by the American Arbitration Association

under its Commercial Arbitration Rules. The parties shall be bound by the determination of the arbitration panel. Each party shall pay its own cost of legal counsel and one-half of the costs of the arbitrators and related arbitration expenses.

- H. Requests to President/General Manager.** Whenever any member requests any item described in Paragraphs II (B) or (C) above, or information not provided for in this policy, such request shall be communicated to the President/General Manager, or in his absence, the Cooperative's attorney, for examination, inspection and response.

III. RESPONSIBILITY

- A. It shall be the responsibility of the President/General Manager to administer this policy and to forward any request for privileged information to the Chairman of the Board of Directors.
- B. It shall be the responsibility of the Board Chairman to submit requests for privileged information to the full Board for consideration.
- C. Each member of the Board of Directors shall be responsible for calling to the attention of the Chairman of the Board for discussion before the full Board, any non-adherence to this policy.

STATUTES: O.C.G.A. § 46-3-271(b)

- f. Producing the information sought would adversely affect the Cooperative, its members, or employees unduly out of proportion to my interest in seeking such information.
 - g. Producing the information sought would violate the privilege of confidential communication between the Cooperative and its attorney(s) or accountant(s);
 - h. The information is sought for a dishonest purpose, or to gratify mere curiosity, or is otherwise harmful or contrary to the lawful interest and operations of the Cooperative, its members or employees.
 - i. The information sought deals with trade secrets or other information which is privileged, confidential or proprietary.
 - j. The information sought is for a personal commercial purpose unrelated to the member's legitimate interest in the Cooperative.
4. I do not intend to sell or offer to sell any list of members of the Cooperative and I have not, within a five year period, aided or abetted, and do not now intend to aid or abet any other person in procuring any list of members for such purpose.
5. I shall not give, share or otherwise transfer the Cooperative information, in any format, with anyone other than in connection with the purpose(s) specified above, except as may be necessary, in the opinion of legal counsel, to comply with the requirements of any law, governmental order or regulation.
6. I shall not use the Cooperative information, or allow such information to be used, for any purpose other than the purpose(s) specified above.
7. I agree to return or destroy all copies, extracts or reproductions of any information I may receive after I no longer need the information for the purpose(s) specified above. In any event, any information I may receive pursuant to this request shall remain subject to this Agreement for so long as I may retain it.
8. I agree to reimburse the Cooperative for copying charges, and all employee time beyond 15 minutes required to retrieve, compile and/or copy the information requested by me. Charges for employee time shall be based on the rate of pay for the lowest paid employee authorized to retrieve, compile and copy the requested information. Copying charges shall be assessed at the rate of 25¢ per page.
9. I agree that money damages would not be a sufficient remedy for any breach of this Agreement, and that in addition to all other remedies, the Cooperative will be entitled to specific performance of my obligations relating to this Agreement and to injunctive and other equitable relief as a remedy for any such breach. For purposes of seeking equitable relief, I agree that any breach of this Agreement by me will subject the Cooperative to irreparable harm and injury.

Submitted and certified to this ____ day of _____, 20__.

Member Signature:

Member Name (Please Print):

Sworn to and subscribed
before me this ____ day of
_____, 20__.

NOTARY PUBLIC

[SIGNATURE PAGE FOR REQUEST FOR INFORMATION]