



FALL RIVER RURAL ELECTRIC COOPERATIVE, INC.

GENERAL POLICY No. 506

SUBJECT: MEMBER ACCESS TO COOPERATIVE INFORMATION AND USE OF MEMBERSHIP LIST

I. **PURPOSE:**

Cooperative principles promote the ideal of an informed and educated membership. The Board of Directors (Board) is committed to making available to the Cooperative's member-owners (members) information concerning their own accounts and information they are entitled to access concerning the conduct of the Cooperative's business. The purpose of this policy is to provide clear guidance on how the Cooperative will treat member requests for access to its books and records.

II. **RESPONSIBILITY:**

The CEO/General Manager.

III. **PROVISIONS:**

A. Member's Right of Access to Corporate Books and Records

1. **Access to Routine Information.** A member is not required to submit a written request stating a proper purpose to inspect and copy information that the Cooperative classifies as routine in this policy. Routine information shall be made available to a member upon oral request and membership verification as promptly as possible during the Cooperative's regular business hours and upon payment of any copying charges. If the requested routine information is available on the Cooperative's website or another Internet site, Cooperative management and staff may direct the member to the location of the electronically available information. The following information of the Cooperative is classified as routine:

- a. Rate or price schedules and service rules and regulations in effect at the time of the request;
- b. Articles of incorporation in effect at the time of the request;
- c. Bylaws in effect at the time of the request;
- d. Policies and resolutions in effect at the time of the request;
- e. The names of the Cooperative's directors and officers serving on the board at the time of the request and their authorized contact information;
- f. Minutes of all regular and special meetings of the Board of Directors for the preceding two years other than information or minutes related to executive sessions;
- g. Records of all resolutions and votes approved by the membership for the preceding two years;
- h. Annual financial statements for the preceding two fiscal years, including balance sheets as of the end of the fiscal year, statements of operations for the fiscal year, and the resulting auditor's report;
- i. The most recent annual report to members;
- j. Public information provided to regulatory authorities; and
- k. The Cooperative's IRS Form 990 for the preceding three years and the Cooperative's tax exemption application filed with the U.S. Internal Revenue Service, and other documents IRS rules and regulations require the Cooperative to make available for public inspection and copying, all in accordance with federal law.

2. **Requests to Inspect and Copy.** Except as provided in the Cooperative's bylaws or this policy, a member of the Cooperative may, at any reasonable time and on written request that states a

proper purpose for the request, inspect and copy information in the Cooperative's corporate books and records relevant to that purpose.

- a. **Reasonable Time.** Members may inspect, and copy information contained in the Cooperative's books and records during the Cooperative's regular business hours or at a time agreed to by the requesting member and Cooperative management or staff.
- b. **Proper Purpose.** In general, the Cooperative regards a purpose as a proper purpose if it is in good faith, and reasonably related and germane to the lawful monitoring, protection or advancement of the member's interest as a member of the Cooperative. Examples of purposes that the Cooperative may regard as proper include:
 - i. determining whether Cooperative business has been conducted in accordance with applicable law and the Cooperative's articles of incorporation and bylaws;
 - ii. determining the propriety of the Cooperative's treatment of capital allocations or returns;
 - iii. communicating with other members on matters of Cooperative operation, finances, or governance;
 - iv. determining if the Cooperative's financial condition creates risk to the members or the proper operation of the Cooperative.

Examples of purposes that the Cooperative regards as not proper include:

- i. aiding a competitor of the Cooperative;
- ii. harassing, annoying or embarrassing the Cooperative;
- iii. gratifying curiosity or engaging in speculation, or
- iv. taking action that is hostile or adverse to the Cooperative.

3. **Written Request for Non-Routine Information.** Members interested in inspecting and copying information in the Cooperative's books and records that is not classified as routine must submit a written request that: (1) states the member's name, address, and account number; (2) explains with reasonable particularity the member's purpose for requesting the information; (3) identifies the portion of the Cooperative's books and records the member wishes to inspect; and (4) includes the member's signature and the date of the request. The Cooperative may ask the member to make the request on the Cooperative's form for requesting access to information.
4. **Review of Written Request.** A written request for information that contains the required criteria shall be submitted to the CEO/General Manager or the staff member designated by the CEO/General Manager for review. The CEO/General Manager or designated staff member shall review a request as promptly as possible and shall provide the requested information to the member within a reasonable time if the written request demonstrates that:
 - a. the member has stated a proper purpose for requesting the information, unless the CEO/General Manager believes in good faith and based on facts and circumstances that the purpose stated is merely a pretext and that the member is likely to use the requested information for a purpose that is not a proper purpose;
 - b. the information requested is relevant to that proper purpose; and
 - c. the information requested is not sensitive information.
5. **Reasons for Limiting or Denying Written Request.** The CEO/General Manager or their designee may limit or deny a

member's request to inspect the Cooperative's books and records if the request does not meet the requirements for a written request, seeks information that is not relevant to the proper purpose identified in the request, seeks sensitive information, or states a purpose that the CEO/General Manager believes, in good faith and based on facts and circumstances, is merely a pretext. Sensitive information means:

- a. information that, if released, would unduly infringe on or invade the privacy of a person;
- b. information related to a trade secret;
- c. personnel information the disclosure of which would violate the law or constitute a clearly unwarranted invasion of personal privacy;
- d. information related to pending or reasonably anticipated litigation;
- e. information related to a real estate transaction for a project that has not been formally announced or for which contracts have not been formally awarded;
- f. information related to the Cooperative's competitive activity, including commercial information and utility-related matters that would, if disclosed, give an advantage to a competitor or prospective competitor;
- g. information related to the security of the Cooperative's electrical system; or
- h. information that is confidential, privileged or proprietary.

6. **Explanation and Appeal of Limitation or Denial of Request.** Any limitation on or denial of access to the information requested shall be accompanied by the CEO/General Manager's written explanation

stating the reason for the limitation or denial. Any request that has been limited or denied may be appealed to the board, and the board shall make a final decision as to the propriety of the request and the CEO/General Manager's decision at its next regular board meeting.

7. **Confidentiality and Non-Disclosure Agreement.** The Cooperative has a duty to protect sensitive information from unauthorized disclosure. If the Cooperative grants a member's request to examine or copy any sensitive information, the member is required to execute a *Confidentiality and Non-Disclosure Agreement* at the Cooperative's request before receiving access to any sensitive information.
8. **Access to Member Account Information.** Information about a member's account is confidential and will not be provided to anyone except the individual member, the member's spouse upon the receipt of proper identification, or upon the presentation of a *Release of Information* form signed by the member. Information will not be released to law enforcement personnel or other individuals or agencies without a subpoena or search warrant unless otherwise required by law. The Cooperative may, however, voluntarily disclose to law enforcement personnel without a subpoena or search warrant information from a member's account file relating to possible crimes committed against the Cooperative by that member.

B. Charge for Cost of Providing Information

1. **Cost of Copies.** The Cooperative may charge a member for the cost of providing routine information and information sought in a written request. The charge for paper copies is \$0.08 (8 cents) per printed page for each page produced to fulfill the request plus \$40.70 per hour for any labor or research necessary to assemble the information. For information made available in electronic form,

the charge is \$40.70 per hour for labor, research, and any material cost of preparing or delivering the information in electronic form.

2. **Information Access and Format.** The right to access the Cooperative's books and records for inspection and copying does not include a right to require the Cooperative to create books, records or reports that do not exist, or to have existing books and records made available in any particular format.
3. **Estimate and Payment.** Cooperative staff shall provide the member with an estimate of the costs before the information is made available. Cooperative staff may request a non-refundable deposit against all or part of the estimated cost and may wait until receipt of the deposit before assembling the information. Cooperative staff will provide the member with the copies upon payment of the full amount of the actual charges, less the amount of any deposit. If the deposit exceeds the actual charges, the excess shall be refunded to the member.

IV. **POLICY AND PROCEDURE FOR HANDLING REQUESTS FOR COOPERATIVE MEMBERSHIP LIST**

- A. **Use of Member Lists.** The use of lists of the members for any reason not directly related to the Cooperative's purposes and objectives shall be allowed only after approval by the Board of Directors. The Board meets monthly and scheduled board meeting dates may be posted on the Cooperative's website or can be obtained by calling the Cooperative.
- B. **Review and Approval of Information to be Sent.** The Cooperative will review and may approve a request to send out information to the membership based on the content proposed to be mailed to a portion or all of its members.

1. **Purposes Deemed Proper.** A member's request to distribute information to the membership for one of the following purposes is deemed proper:
 - a. To distribute information to the membership regarding the requesting member's candidacy as a properly nominated and eligible candidate for election to the Cooperative's board; or
 - b. to inform members about a nonpolitical issue which pertains to the operations of the Cooperative.
 2. **Improper Purpose.** If the CEO/General Manager or Board has a good faith reason to believe the information to be provided to the membership is improper, nonfactual, or does not align with the purposes or objectives of the Cooperative, the request shall be denied. Example of information the Cooperative will not disseminate to the membership includes:
 - a. Selling, planning to sell, or offering to sell the membership list to any person or entity, or any person or entity purchasing, planning to purchase, or offering to purchase the membership list;
 - b. soliciting money or property for activities and/or events;
 - c. providing information for commercial purpose other than Cooperative business.
- C. **Processing and Costs.** Any communications requested to be mailed will be processed and mailed by Cooperative employees and costs will be paid by the person or organization making the request prior to mailing. The costs will include all expenses incurred by the Cooperative for processing and delivery. The total cost to mail the materials will be provided within 15 business days once the request is received and will be mailed within 5 business days once the board has approved the content to be sent.

V. PRIMACY OF POLICY

This policy supersedes any existing policy that may be in conflict with the provisions of this policy.

APPROVED BY THE CEO/GENERAL MANAGER



Bryan Case, CEO/GM

DATE APPROVED: April 18, 1988

DATE REVISED: September 26, 2005

DATE REVISED: May 21, 2012

DATE REVISED December 17, 2018

October 25, 2021

November 26, 2024