

**GOVERNANCE PROCESS
POLICY D4**

DIRECTORS' CODE OF CONDUCT

The board of directors shall expect of itself ethical and businesslike conduct. This commitment includes proper use of authority and appropriate group and individual behavior when acting as directors.

Accordingly, directors shall not fail to:

1. Maintain loyalty to the interests of the membership.
 - A. Directors shall strive to keep member-owners appropriately informed of the cooperative's status and plans and of the board's work.
 - B. Directors shall encourage participation of all member-owners to ensure member-owners have a democratic voice in how the cooperative is run and to increase the cooperative's ability to serve its member-owners effectively.
 - C. Director accountability shall supersede any conflicting loyalty such as that to advocacy or interest groups or membership on other boards or staffs. This accountability shall supersede the personal interest of any director as an individual consumer of the cooperative's services.
2. Avoid any conflict of interest with respect to their fiduciary responsibility to the membership.
 - A. There shall be no self-dealing or conduct of private business or personal service between any director and the cooperative, except as procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.
 - B. Directors shall not use their positions to obtain employment or special privileges within the cooperative for themselves, family members, or close associates.
3. Refrain from exercising individual authority over the cooperative except as explicitly set forth in board policies. Directors shall not fail to recognize that they have no authority over staff and act accordingly.
 - A. Directors' interactions with the general manager and staff shall reflect the lack of authority in any individual director or group of directors except as explicitly set forth in board policies.
 - B. Directors' interactions with the public, press, or other entities shall recognize the same limitation of any individual director or group of directors to speak for the board.
 - C. Directors shall make no judgments of managerial performance, except for the performance assessed against explicit board policies using board processes.
4. Commit to fulfilling their duties as directors of the cooperative.
 - A. Directors shall devote the time needed to fulfill the responsibilities of their positions.
 - B. Directors shall make it a priority to attend and participate in all board meetings and training sessions, to learn more about the cooperative and its operations, and to pursue educational opportunities as they relate to the cooperative.
 - C. Directors shall be prompt, attentive, and prepared for all board-related meetings.

5. Consider the business of the cooperative and its member-owners to be confidential in nature when specified by board decision.
6. Contribute to and encourage open, respectful, and thorough discussions with other directors and the general manager, while maintaining an attitude of honesty, diligence, and helpfulness.
7. Ask a director who violates this code of conduct to resign from the board of directors and to not seek to disrupt the cooperative or the board thereafter. Calling for the resignation of a director for violating this code of conduct shall require consensus of the remaining directors.
8. Read and sign this code of conduct when they begin their board term.

This policy will be reviewed in September and monitored in May.

Adopted 11/04/1998
Revised 09/21/2011
Revised 10/10/2012