

VALLEY ELECTRIC ASSOCIATION, INC.

Corporate Policy #104

DISCLOSURE OF INFORMATION

Dated: July 31, 2009
Supersedes: March 1, 2006
Formerly: Policy Cor 105

I. OBJECTIVE

To enable members of the Association to be well-informed by:

- A. Keeping members abreast of the Association's activities, operations, and financial condition;
- B. Allowing members to be knowledgeable of the activities of the Association's directors, officers, and employees;
- C. Informing members of and encouraging their active support and participation in the Association's plans and programs for efficient and safe use of electricity and sound community development;
- D. Encouraging the membership's full and active participation in the Association's affairs and proceedings; and
- E. In general, promoting a "good neighbor" and "good citizenship" philosophy between and among the Association, its members, the public at-large and other related organizations, agencies, and government.

II. POLICY

- A. The Association will make certain information and data available to a member, upon request, provided that (i) the information is germane to a member's interest as a member, (ii) the information will be used for an appropriate and proper purpose, and (iii) the disclosure and dissemination of the same would not be adverse to the best interest of the Association. Information may be made available in accordance with the following standards and conditions:
 1. Subject to the provisions provided for herein and provided that, in the Association's sole and absolute discretion, the provisions of Section 1.A. of this Policy Cor 104 are satisfied, upon written request on the form attached hereto, the following items will be made available as soon as reasonably practical, during normal business hours:
 - a. The Association's articles of incorporation, bylaws, rate charges and policies;

- b. Financial reports that are regularly made to the National Rural Utilities Cooperative Finance Corporation;
 - c. Audit reports rendered periodically by independent auditors;
 - d. Adopted budgets for current and future operations and capital improvements;
 - e. The minutes of any member meetings; and
 - f. Publications that the Association may have for general distribution relating to the efficient or safe use of electric energy, the Association's energy use, conservation programs, and the like.
 2. Subject to the provisions provided for herein and provided that, in the Association's sole and absolute discretion, the provisions of Section I.A. of this Policy Cor 104 are satisfied, upon written request on the form attached hereto, certain non-routine information and data will be made available as soon as reasonably practical, during normal business hours.
 3. A member of record, upon at least five days written demand, is entitled to inspect in person or by agent or attorney, during usual business hours, the members' ledger or duplicate ledger and to make copies therefrom. Such inspection is conditioned upon the Association receiving an affidavit that the inspection is not desired for any purpose not relating to a legitimate member interest which shall be determined by the Association in its sole and absolute discretion. The information obtained may not be used for any of the following purposes: (i) to solicit money or property from the members, (ii) for any commercial purpose, (iii) for any purpose adverse to the business interests of the Association, (iv) to sell to any person or entity, or (v) for any other purpose not related to his or her interest as a member.
- B. The Association will not release any information or data in relation to any of its members, officers or employees, to any persons or governmental agencies except upon one or more of the following: (i) an appropriate court order, (ii) a subpoena issued per a court case, (iii) a subpoena issued pursuant to a grand jury investigation, or (iv) upon the advice of counsel, all subject to the approval by the Board of Directors. The Association will not release any information or data in relation to any pending or prospective litigation or regulatory matter. Additionally, the Association will not release any information or data:
 1. Which is in violation of federal or state law or regulations;

2. That will or may invade any person's right to privacy;
 3. That is of a confidential nature, such as, but not limited to, an employee's employment file or a budgeted but unpublished minimum or maximum for future facilities or contract work that will be negotiated or let to bid;
 4. That would violate any agreement with third parties with respect to trade secrets and/or confidentiality agreements;
 5. That might subject the Association to an adverse action, in law or in equity, or by a regulatory agency;
 6. That if so published would adversely affect the Association in its negotiations with third parties for any reason;
 7. That if so published have an adverse affect on the Association which would outweigh the benefits and interests of the requesting member;
 8. That is prohibited by any court having jurisdiction over the subject; or
 9. That would violate the attorney-client privilege or confidential communication between the Association and the Association's attorney.
- C. If permission to release information is granted by the Association, the requesting party shall pay the cost of copying any information or data requested, which will be done on the Association's premises or, at the discretion of the Association, at some other location with one or more of the Association's personnel and/or the Association's attorney retaining custody of the items and being present during their copying.
- D. Except for members' ledger or duplicate ledger, the reasonable cost of such copying shall include, but not be limited to, the Association personnel and/or the Association's attorney's time in retrieving, reviewing, copying, and re-filing of the items to be copied.
- E. Whenever any member requests any items covered by this policy, that fact will, prior to making any such item available to the member, be communicated to and approved by the Chief Executive Officer or his designee. With respect to items covered under this policy, the Chief Executive Officer or his designee, before making such items available, may consult with the Association's attorney. If, after such consultation, the Chief Executive Officer and the Association's attorney are in agreement as to whether the item will be made available, the Chief Executive Officer or his designee will proceed accordingly. If, after consultation, either concludes that the item should not be made available, the Chief Executive Officer or his designee will withhold the item pending consideration of the request by the Board of Directors and its

action thereon. In any event, the Chief Executive Officer, at the next meeting of the Board of Directors, shall report all such requests for information.

F. In the event that a request for information is declined by the Chief Executive Officer, an appeal for the requested information may be submitted in writing to the Board of Directors for their consideration at the next meeting of the Board of Directors.

G. All decisions of the Board of Directors are final.

III. RESPONSIBILITY

It shall be the responsibility of the Chief Executive Officer to see that the provisions of this policy are carried out by all employees. Further delegations may be made as necessary for fulfillment of this policy.

VALLEY ELECTRIC ASSOCIATION, INC.

**Request for Information or Data
Certificate**

I, the undersigned, hereby state I am a member in good standing of Valley Electric Association, Inc. The information or data I hereby request is for no one's use other than my own, or by one or more members of the Association, all of whom are members in good standing. The information I am requesting is as follows:

The purpose and use for which I request the foregoing specified information is as follows:

If the request is to inspect and copy the members' ledger or duplicate ledger, I hereby certify that the ledger is not to be used for any of the following purposes:

1. To solicit money or property from the members unless the money or property will be used solely to solicit the votes of members;
2. For any commercial purpose;
3. For any purpose adverse to the business interests of the Association;
4. To sell to any person; or
5. For any other purpose not related to my interest as a member.

THE ASSOCIATION RESERVES ANY AND ALL RIGHTS WITH RESPECT TO THE INFORMATION PROVIDED PURSUANT TO ITS POLICIES. THE ASSOCIATION DOES NOT CERTIFY THAT ANY INFORMATION PROVIDED IS ACCURATE OR CORRECT; ALL MEMBERS ACCEPT INFORMATION FROM THE ASSOCIATION "AS IS" AND "*WITH ALL FAULTS.*"

AS THE PARTY REQUESTING INFORMATION FROM THE ASSOCIATION, I HEREBY CERTIFY THAT THE INFORMATION PROVIDED HEREIN IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE. FURTHER, I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS ARE FALSE OR MATERIALLY MISLEADING, I WILL BE DENIED ACCESS OF THE INFORMATION REQUESTED. ADDITIONALLY, I UNDERSTAND THAT IF THE ASSOCIATION DETERMINES THAT ANY OF THE INFORMATION SET FORTH ABOVE IS UNTRUE AFTER INFORMATION HAS BEEN RELEASED BY THE ASSOCIATION PURSUANT TO THIS POLICY, WHICH RELEASE WAS MADE IN RELIANCE UPON MY UNTRUE STATEMENTS, THE ASSOCIATION RETAINS THE RIGHT TO REQUEST A RETURN OF ALL INFORMATION DISSEMINATED IN SUCH RELIANCE AND THE ASSOCIATION MAY SEEK CIVIL PENALTIES FOR THE EFFECTS OF THE FALSE STATEMENTS PROVIDED TO THE ASSOCIATION.

Witness my hand this _____ day of _____, 20_____.

Print Name

Address

Signature

Member Account Number: _____ Telephone Number: _____

State of _____)
) ss.
County of _____)

Subscribed and sworn to before me this _____ day of _____, 20____, by

_____.

Notary Public

My Commission Expires: _____

(SEAL)