

Policy Number: E-8

Subject: Code of Ethics and Conflicts of Interest

Review Requirement: 3 years

Original Issue Date: May 08, 2025

Date of Last Review: May 08, 2025

Date of Last Revision: May 08, 2025

Previous Revisions:

I. OBJECTIVE

Mountain Parks Electric, Inc. (the “Cooperative”) expects its employees to conduct themselves according to the highest ethical standards of conduct and to comply with all applicable laws. This policy is intended to increase awareness of potential conflicts of interest and establish a procedure for reporting them.

II. POLICY

A. Conflict of Interest

The Cooperative prohibits all employees from using their position with the Cooperative or the Cooperative's relationship with its members, customers, vendors, suppliers, or contractors for private gain or to obtain benefits for themselves or members of their family.

For purposes of this policy, a potential conflict of interest occurs when an employee's outside interests (for example, financial or personal interests) interfere with the Cooperative's interests or the employee's work-related duties. For example, a conflict of interest can occur when an employee is able to influence a decision that may result in personal gain for the employee or the employee's family member as a result of the Cooperative's business dealings.

If you have a question about whether a situation is a potential conflict of interest, please contact your department manager.

B. Favors and Gifts

Employees should make business decisions in the best interests of the Cooperative. The Cooperative prohibits employees from seeking or accepting any gifts, favors, entertainment, payment, or loans for themselves or their family members from any member, customer, vendor, supplier, contractor or other party doing business with the Cooperative with the following exceptions:

1. Gifts of less than \$250;
2. Tickets to an event if prior approval is obtained from the department manager or board president in the case of the Chief Executive Officer (“CEO”); or

3. Promotional items, travel, accommodations, meals, etc. that are part of a standard industry conference or event.

Cash should never be accepted.

C. Work Outside of Cooperative

In accordance with Colorado Revised Statute 24-34-402.5, the Cooperative does not restrict employees from engaging in lawful off-duty activities, including outside employment, unless such activities violate this policy or interfere with the employee's ability to perform their job duties effectively.

1. Prohibited Activities. Employees are prohibited from engaging in outside employment that creates a conflict of interest or the appearance of a conflict of interest. Examples of situations that may create such a conflict or appearance include, without limitation:
 - a. A conflict of interest exists when an employee's outside employment could influence, or appear to influence, their objectivity, judgment, or performance of duties at the Cooperative. Examples include:
 - i. Working for a competitor, supplier, or customer in a capacity that could compromise loyalty to the Cooperative.
 - ii. Engaging in activities that compete with the Cooperative's business interests.
 - b. Employees may not use their position, authority, or resources at the Cooperative to enrich themselves, a relative, or any other party through outside employment. This includes, but is not limited to:
 - i. Soliciting personal business opportunities from the Cooperative's customers, vendors, or partners.
 - ii. Using company time, equipment, or confidential information for outside employment.
 - c. Employees are strictly prohibited from requiring or implying any quid-pro-quo arrangement involving their outside employment and the Cooperative's customers or vendors. This includes offering preferential treatment or access to the Cooperative's services or resources in exchange for personal gain through outside employment or refusing access to the Cooperative's services in connection with the employee's outside employment.

2. **Disclosure Requirements.** Employees must disclose any outside employment to their department manager prior to commencing such employment or within 5 business days of starting outside employment. Disclosure must include the name of the employer, nature of the work, hours of work, and any potential overlap with the Cooperative's business interests. The department manager will review disclosures with the HR manager to determine if the outside employment complies with this policy.
3. **Job Performance.** Outside employment must not interfere with an employee's ability to perform their job duties at the Cooperative, including availability for required hours, overtime, or on-call duties. Employees must not conduct outside employment activities during the Cooperative working hours or while using company resources (e.g., computers, phones, or facilities).
4. **Confidentiality Obligations.** Employees must continue to comply with the Cooperative's confidentiality policies and any applicable non-disclosure agreements during outside employment. Sharing the Cooperative's proprietary or confidential information with an outside employer is strictly prohibited.

D. Reporting Procedure

If an employee becomes aware of any potential conflict of interest or ethical concern regarding his or her employment or another employee at the Cooperative, the employee must promptly inform his or her department manager or, if the conduct involves their department manager, they should report to the HR manager or CEO. If the conflict involves the CEO, the report should be made to the Cooperative's Attorney, or board president. Employees should be as detailed as possible. The Cooperative will investigate all concerns regarding conflicts of interest. The Cooperative will determine whether a conflict of interest exists and what action should be taken.

If an employee is found to have violated this policy, the Cooperative will take prompt corrective action, including discipline, up to and including termination of employment.

E. No Retaliation

The Cooperative prohibits any form of discipline, reprisal, intimidation, or retaliation for reporting a potential conflict of interest or violation of this policy or cooperating in related investigations.

III. RESPONSIBILITY

The CEO is responsible for the administration of this policy. If employees have any questions regarding this policy or any questions about conflicts of interest that are not addressed in this policy, employees should contact the CEO.

APPROVED BY THE BOARD OF DIRECTORS ON MAY 8, 2025

Acknowledgment of Receipt and Review

[I, _____ (employee name), acknowledge that on _____ (date), I received a copy of the Cooperative's Code of Ethics and Conflicts of Interest Policy and that I read it, understood it, and agree to comply with it. I understand that the Cooperative has the maximum discretion permitted by law to interpret, administer, change, modify, or delete this policy at any time [with or without notice]. No statement or representation by a supervisor or manager or any other employee, whether oral or written, can supplement or modify this policy. Changes can only be made if approved in writing by the Board of Directors of the Cooperative.

I also understand that any delay or failure by the Cooperative to enforce any work policy or rule will not constitute a waiver of the Cooperative's right to do so in the future.

I UNDERSTAND THAT NEITHER THIS POLICY NOR ANY OTHER COMMUNICATION BY A MANAGEMENT REPRESENTATIVE OR ANY OTHER EMPLOYEE, WHETHER ORAL OR WRITTEN, IS INTENDED IN ANY WAY TO CREATE A CONTRACT OF EMPLOYMENT. I UNDERSTAND THAT, UNLESS I HAVE A WRITTEN EMPLOYMENT AGREEMENT SIGNED BY AN AUTHORIZED COOPERATIVE REPRESENTATIVE, **I AM EMPLOYED AT WILL AND THIS POLICY DOES NOT MODIFY MY AT-WILL EMPLOYMENT STATUS**

Signature

Printed Name

Date