



Policy No: 5.06
Title: Qualifications for Directors
Date Revised: April 22, 2002

SUBJECT: QUALIFICATIONS FOR DIRECTORS

I. OBJECTIVE: The Board of Directors of San Miguel Power Association, Inc. is a voluntary service group, acting as trustees for and representing the membership. This policy is to provide guidance to members for the nomination of directors to serve on the Board who are generally qualified to carry out the view points, objectives and goals of San Miguel Power Association, Inc. (SMPA).

II. POLICY:

A. The general policy for Directors is set forth in the Bylaws of SMPA. The statements in this policy that follow are intended to compliment the Bylaws and should a conflict occur, the Articles of Incorporation and Bylaws shall prevail.

B. The Board of Directors is very much aware that SMPA is founded on democratic cooperative principles as stated in the Bylaws of SMPA; however, it is hoped that in order to promote and safeguard the interests of the membership in continuing good management practices, financial viability, and sound, fair policies of SMPA, that members nominating by petition will consider the following statement as a guide for nominations of persons for election to the Board of Directors.

1. The nominee must be a member and a bonified resident of that particular area served by SMPA.
2. The nominee should be willing to promote and safeguard the interest of SMPA among the members and public.
3. The nominee shall be loyal to SMPA, acting at all times in good faith for its best interests.
4. The nominee should be willing to represent the membership on a fair and impartial basis for the good of and in the best interest of all members.
5. The nominee must be unaffected by any continuing and substantial personal interest that is in conflict with the best interests of the Cooperative.
6. The nominee must be willing to attend regularly scheduled board meetings and to attend national, state and local meetings where the interest of SMPA is concerned. The nominee must also be willing to attend Director training institutes and seminars, which will aid in keeping him informed on matters affecting the interests of SMPA.

7. The nominee should be aware that members of the Board of Directors serve without salary and on a fee basis for the time given to regularly scheduled affairs of SMPA, and in addition, they will be reimbursed for all reasonable expenses in connection with such scheduled activities.
8. The nominee should agree to serve the term of office to which elected until a successor has been appointed or elected.

III. RESPONSIBILITY: The President and Board of Directors should provide a copy of this policy to members desiring to make nominations by petition. Members of SMPA attending the annual meeting shall be made aware of the provisions of this policy. The President is responsible for carrying out this policy.