



**Candidate Packet**  
**Director Election**  
**2024-2025**

**December 2024**

# 2024-2025 Director Election Candidate Packet



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# **SKRECC Director Election Candidate Packet**

## **2024-2025 Election**

### **Permission to Access Proof of South Kentucky RECC Membership**

I give South Kentucky RECC representatives permission to access my individual status as a member in good standing with the cooperative and agree to abide by the policies and guidelines of South Kentucky RECC as a condition of my application for consideration as a possible director candidate.

I understand that if I have additional questions regarding South Kentucky RECC Bylaws and /or policies, as it relates to director qualifications, I will contact Frank Phillips, Board Counsel for South Kentucky RECC, at 606-348-5591 or by email at frank@phillipsattorneys.net.

Member Name: \_\_\_\_\_ Member Account: \_\_\_\_\_

Address: \_\_\_\_\_  
(Street, City, State and Zip Code)

Telephone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Email: \_\_\_\_\_ District: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Permission Form Received By: \_\_\_\_\_ Date: \_\_\_\_\_

# 2025 Director Election Certification of Residency

District  
Number \_\_\_\_\_

Member  
Account  
Number \_\_\_\_\_

**This verifies that \_\_\_\_\_  
resides within the district for which he/she is seeking a director seat  
and is a member of record on the account.**

Applicant:	Authorized by:	Witnessed by:
_____	_____	_____
Printed Name	Printed Name	Printed Name
_____	_____	_____
Signature	Signature	Signature



## South Kentucky RECC

### Credentials & Elections Committee

To: Prospective South Kentucky RECC Director Candidates  
From: South Kentucky RECC Credentials and Elections Committee  
Subject: South Kentucky RECC Director Candidate Application Packet

A paper version of the fully completed Director Application Packet must be submitted to South Kentucky RECC, Somerset Headquarters Office, 200 Electric Avenue, Somerset, Kentucky 42501, Attn: Joy Turpin, and received at this location no later than 4:00 pm EST on Friday, January 10, 2025. Application packages that are incomplete, submitted to an alternate SKRECC address, or received by SKRECC after the stated deadline (regardless of postmark) will not satisfy requirements and will result in the Application Packet being rejected and your application not being considered.

#### **Items to be returned in Application Packet:**

- **Acknowledgement of Receipt/Return Candidate Application Packet**
- **Permission to Access Proof of Membership Information**
- **Candidate Applicant Nomination and Certification Application**
- **Certification of Residency – *Provided by South Kentucky RECC***
- **Candidate Applicant Self-Certification Form**
- **2025 SKRECC Director Nominating Petition with at least 200 valid member signatures**
- **Background Check Authorization/Disclosure Form**
- **Candidate Data Required to Initiate Background Check**
- **Background Check Payment – Check made payable to “South Kentucky RECC” in the amount of \$75 – *Non-refundable***

If you have any questions, please contact Frank Phillips, Board Counsel, at 606-348-5591.

## Candidate Applicant Nomination and Certification Application

I, \_\_\_\_\_, do hereby submit my application to be considered for the position of director on the South Kentucky RECC board of directors representing District \_\_\_\_.

Name: \_\_\_\_\_ Member ACCT#: \_\_\_\_\_

Address: \_\_\_\_\_  
(Street, City, State and Zip)

Telephone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Email: \_\_\_\_\_

I have completed and enclosed the following information:

- Acknowledgement of Receipt/Return Candidate Application Packet
- Permission to Access Proof of Membership Information
- Certification of Residency—*PROVIDED TO CANDIDATE BY SOUTH KENTUCKY*
- Candidate Applicant Self-Certification Form
- 2025 SKRECC Director Nominating Petition with necessary signatures
- Background Check Authorization & Disclosure Form
- Candidate Data Required to Initiate Background Check
- Background Check Payment - Check to SKRECC in the amount of \$75 – Non-Refundable

I, \_\_\_\_\_, certify that all of the information provided by me on this form and all accompanying forms is, to the best of my knowledge and belief, true, correct and complete.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*This form and all of the items above must be submitted to SKRECC, Front Cashier Counter, Somerset Headquarters Office, 200 Electric Ave., Somerset, KY 42501, Attn: Joy Turpin, **no later than 4:00 pm EST Friday, January 10, 2025.** Application Packets that are incomplete, submitted to an alternate SKRECC address, or received by SKRECC after the stated deadline (regardless of postmark) will not satisfy requirements and will result in the application package being rejected.*

**SECTION 4.03. (a) General Director Qualifications.** To become and remain a Director, a person must strictly comply with the following general qualifications ("General Director Qualifications"):

- (1) be an individual;
- (2) have the capacity to enter into legally binding contracts;
- (3) obtain legibly printed names, service addresses and signatures of at least two-hundred (200) members on a petition in support of his/her placement on the ballot for election as a Director, provided, however, that an individual who is currently serving as a Director having been elected in the immediately preceding election for the same District for which he/she seeks reelection is exempted from this provision and need not obtain any signatures or submit a petition in support of his/her placement on the ballot for election. If any portion of a member's identifying information provided above is missing or illegible it will not be considered in support of the candidate's petition;
- (4) not have been previously removed or disqualified for failing to comply with the General Director Qualifications while serving as Director;
- (5) before becoming a Director, graduate from high school or earn an equivalent degree or certification;
- (6) while a Director, or prior to becoming a Director, not be convicted of, or pleaded guilty to, a felony;
- (7) while a Director, and prior to becoming a Director, not have a final judgment entered against them involving civil fraud, ethical violations, discrimination and/or acts of harassment;
- (8) while a Director, and prior to becoming a Director, not be nor have been a debtor in a personal or business-related federal bankruptcy proceeding or a similar proceeding under applicable state law such as insolvency, liquidation, receivership, reorganization, or assignment for the benefit of creditors;
- (9) while a Director, and seven years immediately before assuming office as a Director, not be nor have been a party to a foreclosure or other proceeding (judicial or non-judicial, personal, or business related), which proceeding is or was instituted because of the Director's default on indebtedness;

- (10) except as otherwise provided by the Board of Directors for good cause shown, receive a Credentialed Cooperative Director designation, Director's Certificate, or similar designation or certification from the National Rural Electric Cooperative Association within two (2) years of becoming a Director and after becoming a Director, participating in and complete required director training as established by the Board of Directors;
  - (11) except as otherwise provided by the Board for good cause shown, attend at least seventy-five percent (75%) of properly noticed Regular and Special Board Meetings, Committee Meetings and Board Telephone /Video Conference Meetings during each rolling twelve (12) month period;
  - (12) except as otherwise provided by the Board of Directors for good cause shown, not miss more than two (2) consecutive properly noticed Regular Board Meetings;
  - (13) while a Director, must not breach the Director's fiduciary duties to the Cooperative, violate confidences, or engage in illegal activity under the color of authority as a Director; and
  - (14) comply with any other reasonable qualifications determined, made, adopted, amended, and/or promulgated in policies or rules of the Cooperative, not inconsistent with law, the Articles of Incorporation, regulations, or these Bylaws.
- (b) **Membership Director Qualifications.** To become and remain a Director, an individual must strictly comply with the following membership qualifications ("Membership Director Qualifications"):
- (1) while a Director and during the one year immediately before assuming office as a Director:
    - a. be an unsuspended member as defined in Section 1.02; and,
    - b. permanently reside, and use electric energy provided by the Cooperative, at the individual's principal residence as defined under federal tax law 26 C.F.R. § 1. 121- 1 (a) (2). Said residence must be within the Director District from which the Director is nominated, elected, or appointed.
- (c) **Independence Director Qualifications.** To become and remain a Director, an individual must strictly comply with the following independence qualifications ("Independence Director Qualifications"):
- (1) annually complete and sign an independence certification



and disclosure form approved by the Board;

- (2) not be nor have been, nor be a close relative (Section 4.04) of, an employee of East Kentucky Power Cooperative (“EKPC”), United Utility Supply (“UUS”), Kentucky Electric Cooperative (“KEC”), or other entity in which the Cooperative is a member or owner;
- (3) not be nor have been, nor be a close relative (Section 4.04) of, an employee of the Cooperative or an employee of an entity controlled by the Cooperative or in which the Cooperative owns a majority interest (“cooperative subsidiary”);
- (4) while a Director and during the one (1) year immediately before assuming office as a Director, not hold or have held, either by election or appointment, any one or more of the following elective offices or positions: U.S. President/Vice President; U.S. Senate; U.S. House of Representatives ; Governor/Lieutenant Governor; Attorney General; Secretary of State; Auditor of Public Accounts; State Treasurer; Commissioner of Agriculture; State Senate; State House of Representatives; State Supreme Court Justice; State Court of Appeals Judge; Circuit Court Judge; District Court Judge; Commonwealth's Attorney; Circuit Court Clerk; County Judge/Executive; County Clerk; County Attorney; Sheriff; Jailer; Coroner; Property Valuation Administrator; Surveyor; Magistrate/Justice of the Peace; County Commissioner ; Constable; Soil and Water Conservation District Supervisor; Mayor; City Legislative Body (i.e., City Commissioners and Council Members); and/or Member of a Board of Education;
- (5) during the five (5) years immediately before assuming office as a Director, not have been a Director or close relative of a then-existing Director. Nothing herein shall serve or be interpreted to disqualify an incumbent Director from seeking re-election;
- (6) while a Director and during the one year immediately before assuming office as a Director, not have been employed by, materially affiliated with, or receive more than ten (10) percent of annual gross income from, an entity for which another Director controls, owns more than ten (10) percent, or is a director or officer;
- (7) while a Director and during the one year immediately before assuming office as a Director, not have been a director, officer, employee, or agent of a union or other entity representing, or seeking to represent, Cooperative employees regarding the terms and conditions of employment with the Cooperative;

- (8) while a Director and during the one year immediately before assuming office as a Director, not receive or have a Close Relative that receives more than ten (10) percent of annual gross income, other than insurance, retirement income or Director compensation, directly or indirectly from the Cooperative, a Cooperative Subsidiary, or an employee of the Cooperative or a Cooperative Subsidiary;
  - (9) while a Director and during the one year immediately before assuming office as a Director, not advance or have a Close Relative that advances the Director's financial interest by providing a good or service similar to a good or service provided by the Cooperative or a Cooperative Subsidiary;
  - (10) while a Director and during the one year immediately before assuming office as a Director, not be employed by, control, own more than ten (10) percent of, serve as a director or officer of, or receive more than ten (10) percent of annual gross income from an entity that:
    - a. advances the entity's financial interest by providing a good or service similar to a good or service provided by the Cooperative or a Cooperative Subsidiary;
    - b. employs more than five (5) percent of Members; or
    - c. receives more than ten (10) percent of its annual gross income directly or indirectly from the Cooperative or a Cooperative Subsidiary.
- (d) **Director Disqualification.** After being elected, designated, or appointed, if a Director does not comply with all General Director Qualifications, Membership Director Qualifications, and Independence Director Qualifications (collectively, "Director Qualifications") existing when the Director was elected, designated, or appointed, then, except as otherwise provided by the Board for good cause, the Board shall disqualify the Director and the individual is no longer a Director if:
- (1) the Board notifies the Director in writing or electronically of the basis for, and provides the Director an opportunity to comment regarding, the Board's proposed disqualification; and
  - (2) within thirty (30) days after the Board notifies the Director of the proposed disqualification, the Director neither complies with nor meets the Director Qualification.

If a majority of Directors authorized by these Bylaws complies with the Director Qualifications and approves a Board action, then the failure of a Director to comply with the Director Qualifications does not affect the Board action.

**SECTION 4.04. "Close Relative" Defined.** As used in these Bylaws, "close relative" shall mean spouse, father, mother, son, daughter, brother, sister, uncle, aunt, nephew, niece, grandmother, grandfather, grandchild, or unmarried cohabitant. Foster-, half-, step-, adoptive-, and in-law variations of the foregoing relationships are also considered to be a "close relative" for purposes of this section.

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# **SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION**

## **POLICY 102**

### **DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS**

#### **I. OBJECTIVE**

To describe the duties and responsibilities of the South Kentucky Rural Electric Cooperative Corporation (“SKRECC”) Board of Directors (“Board”), as well as to describe the standard of conduct expected of individual Board members.

#### **II. POLICY**

The Board exists to direct the affairs of SKRECC. All of the powers of SKRECC are held solely by the Board, except such powers that have been conferred upon or reserved for the member-owners or others by statute or by SKRECC’s articles of incorporation or bylaws. Ordinarily, the Board may exercise its powers only by acting in a duly convened meeting. The Board may delegate certain but not all of its powers to the President/Chief Executive Officer (“CEO”). However, ultimate responsibility for SKRECC resides in the Board, and certain decisions and actions cannot be delegated.

#### **III. EXPECTATIONS**

A. **Fiduciary Duty.** The Board and each individual director thereof has a fiduciary duty to SKRECC. The Board and each individual director thereof must give undivided allegiance to SKRECC when making decisions affecting SKRECC. The Board’s and each individual director’s duty is described as follows:

1. The Duty of Care. All directors of the Board are expected to have or acquire the knowledge and skills necessary to effectively direct the affairs of SKRECC; to devote the necessary time to director duties, including attendance at Board meetings, thoroughly reviewing board materials and otherwise preparing for each meeting of the Board and committees; and make inquiry into potential problems or issues when circumstances or events suggest that the Board’s attention is needed or desired. A director of SKRECC shall discharge his or her duties as a director, including his or her duties as a member of a committee:
  - a. in good faith;
  - b. with that degree of care that an ordinarily prudent person in a like position would exercise under similar circumstances; and
  - c. in a manner that the director reasonably believes to be in the best interests of SKRECC.

2. The Duty of Loyalty. A director of SKRECC shall:
    - a. place the interests of SKRECC above the director's own personal interests or the interests of another person or organization with which the director is associated; and
    - b. strive to avoid even the appearance of a conflict of interest. (See Policy 301 on Conflict of Interest).
  3. The Duty of Obedience. Each director, in accordance with his/her fiduciary duty, shall:
    - a. ensure that the Board's actions and those of SKRECC comply with applicable legal requirements, as set forth in federal, state, and local statutes or ordinances, the articles of incorporation, the bylaws, and any other rules, regulations, or contracts of SKRECC; and
    - b. follow the Board's own policies.
- B. Key Responsibilities and Functions of the Board.** In fulfillment of its duties and responsibilities, the Board shall, among other things:
1. Establish and maintain a legal entity;
  2. Select and appoint the General Counsel to represent SKRECC;
  3. Study and approve (or recommend) necessary and/or prudent revisions and other changes to the bylaws;
  4. Review and approve major contracts such as loan agreements, wholesale power contracts, and construction contracts;
  5. Approve applications for membership in SKRECC;
  6. Ensure that accurate minutes of Board, committee, and membership meetings are prepared, maintained and recorded as read or corrected;
  7. Authorize eminent domain proceedings as required.
  8. Act as trustees of membership interests by:
    - a. holding Board meetings monthly, or more often if required. The CEO, in consultation with the Board Chairperson, shall develop the preliminary agenda for such meetings, and the agenda will be mailed in advance of the meeting with appropriate supporting information;

- b. ensuring that members of SKRECC are informed by conducting an annual membership meeting to hear their views, and to promote understanding of the cooperative's objectives, policies, and programs, and through periodic newsletters and other publications, annual reports, and meetings;
  - c. keeping informed about changing member needs;
  - d. assisting new Board members to understand their responsibilities and duties. An orientation will be arranged for new Board members;
  - e. selecting an independent financial auditor;
  - f. establishing investment policies and approving depositories for funds of the cooperative and designating those authorized to sign checks, drafts, notes, contracts, deeds, mortgages, and other instruments on behalf of the cooperative;
  - g. establishing policies governing the payment of travel, out-of-pocket, and other expenses of directors;
  - h. approving the appointment of the cooperative's principal consultants and contracts and agreements for their services;
  - i. approving purchases, transfers, leases and/or sales of real estate; and
  - j. filling vacancies on the Board for any unexpired term of office in accordance with the bylaws.
9. Plan for the long-term health and survival of the cooperative by:
- a. working with the CEO to develop the mission and plans of SKRECC;
  - b. working with the CEO to ensure an adequate, reliable, competitively-priced supply of electric energy; and
  - c. reviewing and adopting proposed policies or policy revisions.
10. Provide operating requirements by:
- a. interviewing candidates (with the advice and assistance of a professional consultant) and selecting and employing a competent CEO. The CEO is delegated responsibility and authority to select personnel and terminate their employment, if such action becomes necessary, within the limitations of Board policy. The CEO is also delegated complete responsibility to direct such employees;

- b. adopting financial plans and policies essential to maintaining a sound financial structure for the cooperative;
- c. authorizing the monies and expenditures of such monies through the adoption of budgets necessary to carry out the objectives of the cooperative;
- d. determining major state, regional, or national organizations in which the cooperative shall become a member; and
- e. authorizing the construction of major facilities necessary for the efficient operation of the cooperative.

11. Establish controls to appraise the effectiveness of operations by:

- a. reviewing periodic reports from the CEO to either ensure conformity to approved plans and programs or to enable the Board to have sufficient knowledge and understanding to make prudent decisions regarding future plans and programs;
- b. reviewing the annual financial audit and the management letter, with the auditor present, and ensuring that any necessary action is taken. The audit and the management letter shall be sent to the directors prior to the meeting when they are to review it;
- c. reviewing any independent management audit if such an audit is undertaken, and ensuring that Board-approved recommendations are carried out by receiving and reviewing regular progress reports from the CEO;
- d. conducting an annual performance appraisal of the CEO, and determining his or her compensation, as set forth in Board policy; and
- e. conducting periodically a self-appraisal of the Board, with or without outside consulting assistance, to review and improve its effectiveness in fulfilling its duties, as set forth in Board policy.

**C. Conduct with Respect to Fellow Directors.** Regardless of any personal differences, directors should at all times:

- 1. Demonstrate mutual respect;
- 2. Allow opportunity for every other director to be heard on any matter being considered by the Board;
- 3. Refrain from revealing to persons other than directors, the CEO, or the cooperative's General Counsel any differences of opinion among directors on matters considered and acted upon by the Board;

4. Recognize that the Board has the responsibility and authority to enforce these standards of behavior, through reminders of the standards and expectations and the issuance of a reprimand to the director who has breached these standards;
5. Publicly support decisions of the Board except in extraordinary circumstances where the director can demonstrate that a decision and/or action will bring harm to the cooperative or threaten the cooperative's survival.

**D. Access to Cooperative Vice-Presidents and Information and the Duty to Maintain Confidentiality.** Directors are entitled to reasonable access to SKRECC's Vice-Presidents, data or other appropriate information necessary to perform their governance oversight responsibilities. A director shall keep confidential all matters involving SKRECC that are not otherwise in the public domain.

1. Requests for access to information or staff should normally be made to and through the CEO.
2. When a director has sought access to information not generally available to the public or reported to the Board, the CEO shall report on this at the next meeting of the Board to ensure that all Board members have equal access to the information.
3. Information received by a director shall not be disclosed to any other persons unless the director reasonably believes that he or she must do so in order to fulfill his/her fiduciary duty. A director shall consult with his or her personal attorney in determining whether fiduciary duty obligates the director to make such a disclosure.
4. All directors shall execute and have in place a Confidentiality/Non-Disclosure Agreement with SKRECC.

#### **IV. LIMITATIONS**

##### **A. The Right to Rely on Others**

In the discharge of his/her duties, a director is entitled to rely on management, and on Board committees of which the director is not a member, to perform their respective responsibilities. A director is entitled to rely upon reports, opinions, information, and statements presented by the cooperative's management, employees, and outside advisors whom the director reasonably believes to be competent and reliable in the matters being presented.

#### **V. RESPONSIBILITY**

- A. It shall be the responsibility of the Board Chairperson and each director of the Board to see that this policy is adhered to and carried out.



- B. All directors serving on the Board and all candidates, nominees, or appointees for or to the Board shall receive a copy of this policy and shall attest by their signature to having received this policy.
- C. SKRECC's General Counsel shall inform all candidates, nominees, or appointees for or to the Board the terms and conditions of this policy and the personal liability implications resulting from policy violations.

**APPROVED BY THE BOARD OF DIRECTORS**

*Cathy Epperson*

BOARD CHAIRPERSON

**DATE APPROVED:** \_\_\_\_\_

**DATE(S) REVIEWED:** \_\_\_\_\_

**DATE(S) REVISED:** \_\_\_\_\_

This policy replaced former Policy B, the same having been approved May 13, 2004, and revised November 14, 2013.

SAMPLE

**Name of Candidate Applicant:** \_\_\_\_\_

**South Kentucky RECC Member Account Number:** \_\_\_\_\_

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**Instructions:** It is important for Members interested in serving on the SKRECC Board of Directors to understand the qualifications, duties, and responsibilities, standards of conduct and professional development requirements and expectations of the director position.

Each Candidate Applicant is required to complete the Self-Certification form and return it as part of the Nomination and Certification Application. To be eligible to run for the SKRECC Board of Directors, candidates must comply with all General Director Qualifications (including Director Expectations), Membership Director Qualifications, and Independence Director Qualifications (collectively, “Director Qualifications”) as outlined below, and consistent with the Bylaws, Article IV, Section 4.03 Director Qualifications, and applicable Board of Directors Policies.

To complete the Self-Certification form, please check each item and initial at the end of each section that you have read, understand, and will comply with, if elected, the specific item as stated. At the end of the form, you will also be required to affirm receipt of, understanding of and support for the Director Qualifications, Duties, Responsibilities, Standards of Conduct and Professional Development as outlined in the Candidate Applicant Self-Certification.

### **General Director Qualifications**

I certify that I meet the following general qualifications:

- I am an individual.
- I have the capacity to enter into legally binding contracts.
- I have obtained the legibly printed names, service addresses and signatures of at least 200 members on a petition in support of placement on the ballot for election as a director, and I understand that if any portion of a member’s identifying information provided above is missing or illegible it will not be considered in support of the candidate’s petition.
- I have not been previously removed or disqualified for failing to comply with the General Director Qualifications while serving as Director (as defined herein).
- I have graduated from high school or earned an equivalent degree or certification.
- I have not been convicted of, or pled guilty to, a felony.

- I have not had a final judgment entered against me involving civil fraud, ethical violations, discrimination and/or acts of harassment.
- I am not nor have I been a debtor in a personal or business-related federal bankruptcy proceeding or a similar proceeding under applicable state law such as insolvency, liquidation, receivership reorganization, or assignment for the benefit of creditors.
- I am not nor have I been a party, within the last seven years, to a foreclosure or other proceeding (judicial or non-judicial, personal, or business-related), which proceeding is or was instituted because of my default on indebtedness.

Initial: \_\_\_\_\_

### **Director Expectations**

If elected to the SKRECC Board of Directors, I certify and agree that:

- Except as otherwise provided by the Board of Directors for good cause shown, I will commit to at least thirty (30) days per year of Board service; however, should circumstances dictate, I further commit to spending whatever additional time is necessary to properly discharge my duties as a SKRECC Director.
- Except as otherwise provided by the Board of Directors for good cause shown, I will receive a Credentialed Cooperative Director designation, Director's Certificate, or similar designation or certification from the National Rural Electric Cooperative Association within two (2) years of becoming a Director, as well as participate in and complete required Director training as established by the Board of Directors. I realize that this will require overnight travel outside of the SKRECC service area, and in some cases, travel by air.
- Except as otherwise provided by the Board for good cause, I will attend at least seventy-five percent (75%) of properly noticed Regular and Special Board Meetings, Committee Meetings and Board Telephone/Video Conference Meetings during each rolling twelve (12) month period.
- Except as otherwise provided by the Board of Directors for good cause shown, I will not miss more than two (2) consecutive properly noticed Regular Board Meetings.
- While a Director, I will not breach the Director's fiduciary duties to the Cooperative, as outlined below, violate confidences, or engage in illegal activity under the color of authority as a Director;

**The Duty of Care:**

- I will exercise that degree of care that an ordinarily prudent person would exercise under similar circumstances.
- I have or will acquire the knowledge and skills necessary to effectively direct the affairs of SKRECC.
- I will devote the necessary time to my Director duties, including attendance at Board meetings, thoroughly reviewing board materials, and otherwise preparing for each meeting of the Board and Committees.
- I will make inquiry into potential problems or issues when circumstances or events suggest that the Board's attention is needed.

Initial: \_\_\_\_\_

**The Duty of Loyalty:**

- I will act only in good faith belief as to the best interests of the SKRECC and its entire membership.
- I will place the interests of the SKRECC above my own personal interest or the interest of another person or organization with which I am associated.
- I will strive to avoid even the appearance of a conflict of interest.

Initial: \_\_\_\_\_

**The Duty of Obedience:**

- I will ensure that the Board's actions and those of SKRECC comply with applicable legal requirements, as set forth in federal, state, and local statutes, the Articles of Incorporation, the By-Laws, and any other rules or regulations or contracts of SKRECC.
- I will follow the governing policies approved by the SKRECC Board.
- I will comply with any other reasonable qualifications determined, made, adopted, amended, and/or promulgated in policies or rules of the Cooperative,

not inconsistent with law, the Articles of Incorporation regulations, or these By-Laws.

Initial: \_\_\_\_\_

### **Membership Director Qualifications**

To become and remain a Director (if elected), I agree and certify that:

- While a Director and during the one (1) year immediately before becoming a Director, I will be and will have been an unsuspended Member of SKRECC.
- While a Director and during the one (1) year immediately before becoming a Director, I will permanently reside and will have permanently resided at my principal residence (as defined under federal tax law 26 C.F.R. § 1.121-1(a) (2)).
- While a Director and during the one (1) year before becoming a Director, my residence will be and was located within the Director District from which I seek nomination and election.
- While a Director and during the one (1) year immediately before becoming a Director, I will use and will have used electric energy provided by SKRECC at my principal residence (as defined under federal tax law 26 C.F.R. § 1.121-1(a) (2)).

Initial: \_\_\_\_\_

### **Independence Director Qualifications**

To become and remain a Director (if elected), I agree and certify that:

- I will annually complete and sign an independence certification, conflict of interest disclosure form and confidentiality agreement.
- I am not nor have I been an employee, nor am I a Close Relative of an employee of the Cooperative or an employee of an entity controlled by the Cooperative or in which the Cooperative owns a majority interest (“Cooperative Subsidiary”).
- While a Director and during the one (1) year immediately before becoming a Director, I will not be and will not have been an employee of an entity in which the Cooperative is a member or owner.

- While a Director and during the one (1) year immediately before becoming a Director, I will not hold and will not have held, either by election or appointment, any one or more of the following elective offices or positions: U.S. President/Vice President; U.S. Senate; U.S. House of Representatives; Governor/Lieutenant Governor; Attorney General; Secretary of State; Auditor of Public Accounts; State Treasurer; Commissioner of Agriculture; State Senate; State House of Representatives; State Supreme Court Justice; State Court of Appeals Judge; Circuit Court Judge; District Court Judge; Commonwealth's Attorney; Circuit Court Clerk; County Judge/Executive; County Clerk; County Attorney; Sheriff; Jailer; Coroner; Property Valuation Administrator; Surveyor; Magistrate/Justice of the Peace; County Commissioner; Constable; Soil and Water Conservation District Supervisor; Mayor; City Legislative Body (i.e., City Commissioners and Council Members); and/or Member of a Board of Education.
- While a Director and during the five (5) years immediately before becoming a Director, I will not be and will not have been an existing, or a Close Relative of an existing or former, Director, agent, or representative. Nothing herein shall serve or be interpreted to disqualify an incumbent Director from seeking re-election.
- While a Director and during the one (1) year immediately before becoming a Director, I will not be and will not have been employed by, materially affiliated with, or receive more than ten (10) percent of annual gross income from, an entity for which another Director controls, owns more than ten (10) percent, or is a director or officer.
- While a Director and during the one (1) year immediately before becoming a Director, I will not be and will not have been a director, officer, employee, or agent of a union or other entity representing, or seeking to represent, Cooperative employees regarding the terms and conditions of employment with the Cooperative.
- While a Director and during the one (1) year immediately before becoming a Director, neither I nor a Close Relative of mine will receive or will have received more than ten (10) percent of annual gross income, other than insurance, retirement income or Director Compensation, directly or indirectly from the Cooperative, a Cooperative Subsidiary, or an employee of the Cooperative or a Cooperative Subsidiary.
- While a Director and during the one (1) year immediately before becoming a Director, neither I nor a Close Relative of mine will advance or will have advanced my financial interest by providing a good or service similar to a good or service provided by the Cooperative or a Cooperative Subsidiary.

- While a Director and during the one (1) year immediately before becoming a Director, I will not be and will not have been employed by, controlled, or owned More than ten (10) percent of, served as a director or officer of, or received more than ten (10) percent of annual gross income from an entity that:
  - (a) advances my financial interest by providing a good or service similar to a good or service provided by the Cooperative or a Cooperative Subsidiary;
  - (b) employs more than five (5) percent of Members; or
  - (c) receives more than ten (10) percent of its annual gross income directly or indirectly from the Cooperative or a Cooperative Subsidiary.

Initial: \_\_\_\_\_

### **Desired Skills and Knowledge**

Specific qualifications to be eligible to become and remain a Director, if I am elected, are set forth in the Cooperative Bylaws. In addition, Directors shall possess the following professional and personal qualifications, as defined in Board policy:

- I understand and value the cooperative business model.
- I am proficient in the use of electronic communications and will regularly check email and acknowledge receipt as requested.
- I understand it is desirable, but not required, that I possess experience in serving on a board or reporting directly to a board.
- I will continue to gain progressive knowledge and understanding of financial and electric cooperative matters as they pertain to SKRECC and the Electric Utility industry.
- I will strive to understand SKRECC's challenges and provide the judgment needed to reach decisions in constantly changing circumstances.
- I will conscientiously study the information contained in documents and reports submitted to the Board.
- I will objectively evaluate and consider the questions and problems faced by SKRECC.
- I will stay informed as to the goals and objectives of SKRECC and I will further study and analyze the policies, plans, and problems, which result from efforts to achieve such goals and objectives.

- I will continue to possess the highest personal and professional ethics, integrity, and values, and be committed to representing the long-term interests of the Members;
- I will continue to have an inquisitive and objective perspective, practical wisdom, and mature judgment.
- Through words and actions and by virtue of temperament, demeanor, and character, I will promote the best interests of SKRECC and its Members.
- I will continue to remain current in my profession and industry associations and involved in the larger business community.
- I will remain committed to continual learning about industry issues, broad operational considerations, risk, business, financial and governance principles and willing to devote the time necessary to become a meaningful contributor on behalf of all the members served by SKRECC;
- I am willing to articulate points of view that may challenge Board and management thinking.

Initial: \_\_\_\_\_

### **Key Responsibilities and Functions of the Board**

I understand the following functions of the Board of Directors and my role in helping the SKRECC Board fulfill these functions. Specifically, in collaboration with other SKRECC Board members, if elected, I will:

- Set the Cooperative's mission, purpose(s), and engage, on a regular basis, in strategic planning and on-going strategic discussions.
- Direct, control and guide the organization through the careful establishment of the broadest organizational values and perspectives through written policies.
- Provide oversight and support, including the adoption of policies and monitoring for compliance with legal, regulatory requirements as well as the adequacy of internal controls.
- Ensure effective short-term and long-range planning and adequacy of resources.
- Establish the limits of the CEO's authority to budget, administer finances and compensation, establish programs, and otherwise manage SKRECC.



- Select clear performance expectations of, regularly monitor and evaluate the performance of, and fix the compensation of the CEO and when necessary, terminate and hire a CEO.
- Act as a trustee to the membership's interest.
- Review, monitor and report to the membership the critical operating and financial performance of SKRECC.
- Assess and monitor risks facing SKRECC and review options for their mitigation.
- Contract for and approve an annual independent financial audit.
- Select and appoint General Counsel.
- Ensure processes are in place for maintaining the integrity of SKRECC — the integrity of the financial statements, the integrity of compliance with law and ethics, the integrity of relationships with employees, members and suppliers, and the integrity of relationships with other stakeholders.

Initial: \_\_\_\_\_

### **Access to Cooperative Management and Information and the Duty to Maintain Confidentiality**

As a Director, if elected, I understand that I will have unique access to Cooperative Management as well as confidential and/or proprietary Cooperative information and that it is my responsibility to maintain the integrity and confidentiality of this information. Specifically, I understand and agree to the following:

- I understand that Directors are entitled to reasonable access to SKRECC's management, data, or other appropriate information necessary to perform their governance oversight responsibilities. As a Director, I shall keep confidential all matters involving the company that have not been disclosed to the public.
- I understand that requests for access to information or staff should normally be made to and through the CEO. I further understand that in some instances however, as defined in policy, it may be appropriate for Directors to seek information directly from other employees or outside consultants or experts.
- I understand that when a Director has sought access to information not generally available to the public, members or reported to the Board, that the CEO shall report

on this at the next meeting of the Board to ensure that all Board members have equal access to the said information.

- I understand that information that I receive, as a Director shall not be disclosed to any other persons unless I reasonably believe I must do so in order to fulfill my fiduciary duty. I further understand that I am encouraged to consult with my personal attorney in determining whether fiduciary duty obligates me to make such a disclosure.

Initial: \_\_\_\_\_

### **Conduct with Respect to Fellow Directors**

As a member of the SKRECC Board of Directors, if elected, I understand that regardless of any personal differences, in dealing with fellow Directors, I will conduct myself appropriately. Specifically, I agree to the following:

- I will demonstrate mutual respect.
- I will allow an opportunity for every other Director to be heard on any matter being considered by the Board.
- I will refrain from revealing to persons other than Directors, the CEO or the cooperative's General Counsel any differences of opinion among Directors on matters considered and acted upon by the Board.
- I will recognize that the Board Chairman has the responsibility and authority to enforce these standards of behavior, through reminders of the standard and expectations, and the issuance of a reprimand to the Director who has breached these standards.
- I will publicly support decisions of the Board except in extraordinary circumstances where I can demonstrate that a decision and/or action will bring harm to the corporation or threaten the cooperative's survival.

Initial: \_\_\_\_\_

### **The Right to Rely on Others**

- I understand if elected, that in the discharge of my duties, I am entitled to rely on management and on-Board committees of which I am not a member, to perform their

respective responsibilities. As a Director, I am entitled to rely upon reports, opinions, information, and statements presented by the cooperative's management, employees, and outside advisors whom I reasonably believe to be competent and reliable in the matters being presented.

Initial: \_\_\_\_\_

### **Board Self-Evaluation**

- I understand that the Board shall engage in an annual self-evaluation of its performance and accomplishments in relation to the goals and mission of SKRECC. I further understand that the Board will also participate in an annual director peer assessment to provide feedback to individual Directors with regard to their performance in filling their duties, responsibilities, standards of conduct and professional growth commitments.

Initial: \_\_\_\_\_

### **Board Orientation**

- I understand that if elected to the Board, as a new Director, I will receive a thorough orientation into the responsibilities of his/her position, conducted by the Board Chairperson, the CEO, Board Counsel, and designated management staff.

Initial: \_\_\_\_\_

### **Board Training and Development**

- I understand that training and educational programs in the areas of industry issues, broad operational considerations, risk, business, financial and governance principles are desirable and necessary for a Director to function most effectively in his/her responsibilities.
- I understand that in addition to formal board training programs, as a Director, if elected, I am encouraged to attend conferences and other activities designed to improve my skills and knowledge.
- I understand that the board training programs shall be conducted within the confines of an annual budget established by the Board for this purpose.

Initial: \_\_\_\_\_

### **Director Disqualification**

I understand and acknowledge that, to be eligible to run for the SKRECC Board of Directors, I must comply with all General Director Qualifications, Membership Director Qualifications, and Independence Director Qualifications (collectively, “Director Qualifications”) as outlined above, and consistent with the By-Laws, Article IV, Section 4.03 Director Qualifications.

Initial: \_\_\_\_\_

I also understand that if I should be elected and I do not comply with all General Director Qualifications, Membership Director Qualifications, and Independence Director Qualifications existing when I was elected, designated, or appointed, then, except as otherwise provided by the Board for good cause, the Board shall disqualify me and I am no longer a Director if:

- (1) the Board notifies me in writing or electronically of the basis for, and provides me an opportunity to comment regarding, the Board’s proposed disqualification; and
- (2) within thirty (30) days after the Board notifies me of the proposed disqualification, I neither comply with nor meet the Director Qualification.

Initial: \_\_\_\_\_

### **DEFINITIONS APPLICABLE TO SELF-CERTIFICATION**

**For purposes of this Self-Certification, the term “Close Relative” shall mean spouse, father, mother, son, daughter, brother, sister, uncle, aunt, nephew, niece, grandmother, grandfather, grandchild, or unmarried cohabitant. Foster-, half-, step-, adoptive-, and in-law variations of the foregoing relationships are considered to be a “close relative” for purposes of this section. (SOURCE: SOUTH KENTUCKY RECC BYLAW SECTION 4.04)**

**For purposes of this Self-Certification the term “Member” shall mean any natural person, firm, association, corporation, partnership, limited liability company, or body politic or political subdivision or agency: (a) being the Applicant designated on a written application for membership furnished by the Cooperative and in whose name the service account is titled; (b) taking service from the Cooperative by agreeing to purchase from the Cooperative, a wholly-owned corporate subsidiary or limited liability company of the Cooperative, electric power and energy; (c) agreeing to be bound by and comply with all provisions of the Cooperative’s Articles of Incorporation, Bylaws, rules, regulations, procedures, rate classifications, and rate schedules adopted by the Cooperative’s Board of Directors (the obligations embraced by such agreement being hereafter called “membership obligations”); (d) paying the membership fee provided in Bylaw Section 1.04 (however, in the case of a duly authorized membership transfer a new membership fee is not required); and, (e) any other reasonable requirements adopted by the Board of Directors. (SOURCE: SOUTH KENTUCKY RECC BYLAW SECTIONS 1.01 AND 1.02)**

**South Kentucky Rural Electric Cooperative Corporation**

**Affirmation of Receipt, Understanding of and Support for the Director Qualifications, Duties, Responsibilities Standards of Conduct and Professional Development as outlined in the Candidate Applicant Self-Certification.**

**I, the undersigned SKRECC Director candidate applicant, hereby acknowledge that I have received, read, fully understand, and support the Director Qualifications, Duties, Responsibilities Standards of Conduct and Professional Development Requirements; and further, that I have had an opportunity to ask SKRECC any questions or obtain clarification regarding any aspect of this self-certification document.**

Signed: \_\_\_\_\_

Printed: \_\_\_\_\_

Date: \_\_\_\_\_

SAMPLE

## 2025 SKRECC DIRECTOR NOMINATING PETITION

We, the undersigned, being South Kentucky RECC Members as indicated below, support the candidacy of \_\_\_\_\_ for the position of director on the South Kentucky RECC Board of Directors representing District \_\_\_\_.

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

# ____	Member Name:	_____
	Service Address:	_____ _____
	SKRECC Acct #:	_____
	Phone #:	_____
	Signature:	_____

Account and phone numbers are optional. Including these items will speed up the verification process.

(Please number pages sequentially)



200 Electric Avenue  
Post Office Box 910  
Somerset, KY 42502-0910  
Telephone 606-678-4121  
Toll Free 800-264-5112  
Fax 606-679-8279  
[www.skrecc.com](http://www.skrecc.com)

**DISCLOSURE AND AUTHORIZATION REGARDING BACKGROUND  
INVESTIGATION FOR BOARD OF DIRECTORS CANDIDATE ELIGIBILITY PURPOSES**

**Disclosure**

South Kentucky Rural Electric Cooperative Corporation (“South Kentucky”) will request from a consumer reporting agency, and possibly from other entities listed below, and for Board of Directors Candidate Eligibility Purposes, a “consumer report(s)” (commonly known as “background check” or “background reports”) containing background information about you in connection with your candidacy for election to the South Kentucky Board of Directors.

South Kentucky has employed a contractor specializing in obtaining background reports, HireRight, LLC (“HireRight”), to prepare or assemble these reports. HireRight is located and can be contacted at 100 Centerview Drive, Suite 300, Nashville, TN 37214, Telephone (800) 400-2761, Website [www.hireright.com](http://www.hireright.com).

The background report(s) may contain information concerning your character, general reputation, personal characteristics, mode of living, or credit standing. The types of background information that may be obtained include, but are not limited to: criminal history; litigation history; motor vehicle record and accident history; social security number verification; address and alias history; credit history; verification of your education, employment and earnings history; professional licensing; credential and certification checks; drug/alcohol testing results and history; military service; and other information.

The information sought by South Kentucky in connection with your candidacy for election to the South Kentucky Board of Directors may be obtained from private and public record sources, including, but not limited to, government agencies and courthouses; educational institutions; information service bureaus; credit bureaus and other consumer reporting agencies; motor vehicle agencies; banks and other financial institutions; and employers.

**Authorization**

I hereby authorize South Kentucky to obtain the consumer reports described above about me in connection with my candidacy for election to the South Kentucky Board of Directors.

Applicant Name: \_\_\_\_\_

Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_



# SKRECC Director Election

## Candidate Data Required to Initiate Background Check

### **Personal Information**

Please print the information requested below to identify yourself for HireRight.

**Printed name:**

\_\_\_\_\_

First	Middle	Last	Maiden
-------	--------	------	--------

**Other names used:**

\_\_\_\_\_

**Current and Former  
Addresses**

	<u>(current)</u>				
_____	_____	_____	_____	_____	_____
from Mo/Yr	to Mo/Yr	Street	City	State	Zip
_____	_____	_____	_____	_____	_____
from Mo/Yr	to Mo/Yr	Street	City	State	Zip
_____	_____	_____	_____	_____	_____
from Mo/Yr	to Mo/Yr	Street	City	State	Zip

**Education Verification:  
(highest degree attained)**

\_\_\_\_\_

School Name	School City	School State
Degree/Diploma		Year Awarded

**Name while attending:**

\_\_\_\_\_

**Some government agencies and other information sources require the following information when checking for records. HireRight will not use it for any other purposes.**

_____	_____
Date of Birth	Social Security Number
_____	_____
Driver's License Number & State	Name as it appears on license
_____	_____
Home Phone Number	Cell Phone Number