MORA - SAN MIGUEL ELECTRIC COOPERATIVE INC.
POLITICAL ACTIVITIES
BOARD POLICY NO 107
Supersedes Policy No. 25

SUBJECT: Political Activities

OBJECTIVE: To eliminate the possibility of coercion of employees to campaign
or otherwise work on behalf of any candidate for the
Cooperative's Board of Trustees.

POLICY:

ACTIVITIES IN MEMBERSHIP ELECTIONS - POLITICAL ACTIVITIES

It shall be the Policy of the Board of Trustees ("Board"). that all personnel,
including the Manager, who are now or who may hereafter be employed by the
Cooperative, shall refrain from taking any part in any election where Board members
are elected, except in such cases as where the employee is a bonafide member of the
Cooperative; and in such case, he or she shall be permitted to exercise his right of
franchise as a Member, to vote in accordance with his wishes. The purpose of this
policy is to prevent active or passive participation in any election where the employee
would be engaged in a campaign in any manner where his influence or his efforts
would be directed in favor of, or against, anyone who may be a candidate for the
position on the Board.

Any employee who violates this policy shall be dismissed forthwith, and shall
not be entitled to any of the benefits of reemployment. It shall be the duty of the
supervisor, or any member of the Board, to prefer charges against any person or
persons, as aforesaid, who may be charged with violation of this policy.

Any member of the Board who shall be charged with bringing pressure to
bear, either by threat or by reward, on any employee of the Cooperative in an attempt
to influence or coerce said employee to vote or work for any candidate for the office
of Board, shall be considered as having engaged in a breach of good conduct and
shall be reprimanded by the Board, who shall suggest his immediate resignation.

The Board shall inform the members of the Cooperative at the next Annual
Meeting of the said charges against the Board member involved, unless the accused
Board member may have served his immediate resignation or otherwise.

This Cooperative was organized and shall be operated on a nonpolitical basis.
The Board recognizes the right of the individual to freely express his convictions and
to exercise that privilege at the polls, but at the same time, it will not tolerate a
practice were political preference or influence would tend to offset or supersede qualifications or ability to perform a given assignment or employment.

The Board shall be responsible for the enforcement of this Policy.

Approved: April 13, 1993
Effective: April 13, 1993
Reaffirmed: February 24, 1995

Carlos [Signature]
Board Secretary