

WELLS RURAL ELECTRIC COMPANY

Adopted: October 16, 1992

Reviewed: August 21, 1998

Revised: October 2, 2006

POLICY NO. 7-12

NEPOTISM

I. OBJECTIVES

A. To reaffirm that it is the policy of the company to hire, in the sole discretion of the company, the most qualified person for the position needed to be filled by the company without regard to relationships based on affinity or consanguinity.

B. To address the possible influences of family relationships within the company and to make employment available to as many different families as possible in view of the public service nature of the company business.

C. To maintain proper internal security by minimizing the opportunity for collusion.

II. POLICY CONTENT

A. No person may be selected for employment or given preference for employment by the company because such a person is related to a director or other employee of the company through affinity or consanguinity.

B. No person presently employed or employed in the future who is related to any other employee of the company as father, mother, son, daughter, brother, sister, spouse, grandchild or grandparent shall work in the same area or department within the company except under emergency situations or for good cause. "Good cause" includes, but is not necessarily limited to, taking into consideration the needs of the company and the limited pool of qualified candidates for the position sought to be filled.

III. RESPONSIBILITY

The chief executive officer or a designee shall be responsible for the administration of this policy in employment situations.