



Code of Conduct

For

Board Members

The Code of Conduct (the “Code”) is a guide to the standards for ethical behavior for the Board of Lowell Light & Power (“LL&P”) in a complex and changing business world. Board members have a responsibility to act in compliance with applicable legal requirements, rules and regulations. In addition, it is expected that Board members will act with integrity and respect towards all and set a standard of conduct for LL&P that promotes exemplary conduct in all dealings with the people and organizations with which they interact. Board members will meet these responsibilities through ethical behavior, sound business practices and lawful activities. LL&P’s reputation depends on the ability of its Board members, management team and all employees to conduct business ethically.

The Code provides summaries of the LL&P’s policies important to the proper resolution of ethical issues that most often arise in the contexts of Board governance and oversight. The Code provides a template for the ethical behavior expected from Board members. Board members are expected to follow the Code and applicable laws, rules and regulations, and to raise questions about compliance to the Chairman of the Board at any time.

Board members are required to sign the acknowledgement page at the end of the Code.

Working Ethically

Maintaining the public trust and confidence in the integrity and ethical conduct of the Board is a core value of LL&P. Therefore, to ensure the public interest is paramount in all official conduct, the Board shall adopt and update, as necessary; a Code of Conduct as its guide to ethical behavior.

Sexual, Racial or National Origin Harassment

Board members of LL&P are committed to providing an atmosphere that is free from discrimination, including sexual harassment and racial or national origin harassment. Board members shall act in a manner consistent with the Equal Employment Opportunity Policy of LL&P, and thus shall not discriminate for or against employees or other persons on the basis of age, sex, race, religion, creed, color, national origin, ancestry, height, weight, marital status, sexual orientation, disability or covered veteran status.

Sexual harassment occurs when conduct of a sexual nature explicitly or implicitly affects an individual's employment, unreasonably interferes with an individual's work performance, or creates an intimidating, hostile or offensive work environment. It is LL&P's policy that sexual harassment to or by any Board member is unlawful and will not be tolerated.

Racial or national origin harassment occurs when conduct relating to an individual's race or national origin interferes with an individual's work performance or creates an intimidating, hostile, or offensive work environment. The law and LL&P's policy require that the workplace be free from racial and national origin harassment. To that effect, LL&P will not tolerate racial or ethnic slurs to or by any Board member.

Confidentiality

It is the responsibility of every Board member to protect all confidential or sensitive information entrusted to him/her, except when disclosure is authorized by the full Board or legally mandated. Board members should avoid using LL&P's confidential or sensitive information for personal benefit or to benefit any other business or entity with which they are or affiliated with.

Confidential or sensitive information means all information that is legally required to have restricted access, be kept confidential, is described as material, nonpublic information or which might be used to the disadvantage of LL&P or any employee, customer, or Board member and specifically includes all of the following:

- 1 Any of LL&P's plans, strategies, tactics or organizational structure not announced to the public;
- 2 Any financial data or results of LL&P's operations not announced to the public;
- 3 Any personal information regarding an employee or Board member or former employee or Board member of LL&P;
- 4 Any information in LL&P's possession protected by the terms of a confidentiality agreement or other contract;
- 5 Any customer records or information;
- 6 Any nonpublic, material Board information obtained by Board members due to their position on the Board such as board-room deliberations and board dynamics.

Conflicts of Interest

A "conflict of interest" occurs when a Board member's private interest interferes in any way or even appears to interfere with the interests of LL&P as a whole. A conflict situation can arise when a Board member takes actions or has interests that may make it difficult to perform his or her responsibilities objectively and effectively. Conflicts of interest also arise when a Board member, or an immediate family member, receives improper personal benefits, which may include loans or extravagant gifts, as a result of his/her position as a Board member. As used throughout the Code, the term "immediate family member(s)" means "any child, step-child, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law" of such Board member sharing the household of such Board member.

Board members must not take or use for their benefit any business opportunity which in fairness belongs to LL&P, nor shall they misuse any information to which they have access by reason of their position. For example, Board members must not acquire by purchase or lease any real estate interests (including mineral interests) when the Board member knows or reasonably should know that LL&P may be interested in acquiring the same property.

Board members shall resolve ethically any actual or apparent conflicts of interests and shall disclose any conflict of interest to the Chairman of the Board as soon as they arise.

Protection and Proper Use of Utility Assets

It is the responsibility of every Board member to seek to protect LL&P assets utilized by such Board member from loss, theft and misuse. LL&P assets include information, records, funds, equipment, supplies, facilities, property and materials. Board members shall use LL&P assets entrusted to them or which they have access in a safe and efficient manner and in compliance with applicable laws and regulations. Board members shall not use LL&P assets or records for personal gain or for the benefit of immediate family members and others outside the normal course of utility business.

Personal use of utility assets:

All assets of LL&P, including communications and computer systems such as telephones, voice mail, electronic mail, computers, shall be used primarily for the legitimate business purposes of LL&P. To the extent that business processes are not detrimentally affected, Board members may reasonably use LL&P telephones, electronic mail, Internet, Intranet, faxes and computers for limited and occasional personal reasons as long as the use is appropriate and do not violate LL&P policies or applicable law. Board members must never use LL&P assets to support a personal business or political activities.

Gifts, Trips and Sponsored Events

A Board member may not accept gifts, trips or attend sponsored events from entities or persons who deal with LL&P, if acceptance of the gift, trip or sponsored event could create the appearance of a conflict of interest or if any such gift, trip or sponsored event is being made in order to influence the Board member's actions as a member of the Board.

"Gift" means any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, travel, lodging, and honoraria for speaking engagements related to or attributable to LL&P employment or the official position of a Board member. Solicitation of gifts is prohibited.

This policy applies to all Board members and their immediate family members.

Compliance with Laws, Rules and Regulations

In addition to the provisions outlined in this Code, it is expected that Board members abide by all applicable laws, rules and regulations.