

ARTICLE IV  
Directors

Section 1. Election of Directors. The Board of Directors of this Cooperative shall consist of not less than five (5) nor more than twenty-one (21) members. Members of the Board of Directors shall be elected for Three (3) year terms. Annually, not less than 90 days prior to the next following annual meeting of stockholders, the Board of Directors shall establish the number of directors to serve for the next following year, provide for nominating districts, if any, and for the manner in which the election of Directors shall be held.

The members of the Board of Directors must be qualified stockholders and be actively patronizing the Cooperative on an annual basis. Any person designated a holder of capital stock held by joint tenants or tenants in common and the duly authorized representative of a corporation or partnership stockholder shall be eligible to serve as a director. No stockholder shall be eligible for the Board of Directors if he/she is in competition with, or is affiliated with an enterprise that is in competition with this Cooperative.

Section 2. Vacancies. In the event a member of the Board of Directors shall become ineligible to hold office, his/her office shall be declared vacant. Vacancies occurring on the Board of Directors by such declaration, resignation or death, shall be filled by appointment by the remaining members of the Board of Directors by a majority vote and for a term expiring at the next annual meeting, at which time the stockholders shall elect a director for the balance of the vacated term.

Section 3. Officers. The Board of Directors shall meet following each annual stockholders' meeting to elect a President, Vice-President, and Secretary, Treasurer, and Chief Information Officer. Each officer shall hold office for one year and until the election of a successor. Nominations for officers may be made by any member of the Board of Directors present. Election shall be by secret, written ballot or by other means as approved by the Board and it shall require a simple majority of votes cast for election. Such officers shall be deemed the officers of the Board of Directors and not executive officers of the Cooperative. No person shall lose his/her status as a director covered by the provisions of Article VI, Section 2 of the Articles of Incorporation by reason of his/her services as any one of the above-named officers.

Section 4. Directors' Meetings. Regular meetings of the Board of Directors shall be held at such place and time as the Directors may determine. At the annual organizational meeting, the Board of Directors may establish regular meeting dates for the year on which meetings shall be held without further notice.

Special meetings of the Board of Directors shall be held whenever called by the President or by majority of the directors. Any and all business may be transacted at any special meeting.

Oral or written notice of each regular or special meeting of the Board of Directors shall be given each director at least twenty-four hours prior to the time of the meeting. Such notice may be

waived by the directors, and the appearance of a director at a meeting shall constitute a waiver of notice.

Section 5. Technology-based Meetings and Actions. To the extent that all members have the ability to participate, the Board of Directors may transact business via electronic methods, including real-time audio, video, or text conferencing or through ongoing use of other appropriate media, such as e-mail and bulletin board systems.

Notice for real-time electronic meetings shall be governed by the same conditions and exclusions as are established for other regular or special meetings of the Board of Directors.

Notice for ongoing actions need not be given, but the participation by a member of the Board of Directors in a discussion shall constitute their attendance at the ongoing meeting. For any particular question, a vote shall stand if the total number of votes cast for, against, and in abstention satisfy the requirement of a quorum.

Section 56. Quorum. A majority of the Board of Directors shall constitute a quorum at any meeting of the Board of Directors.

Section 67. Compensation. At the annual organizational meeting, the Board of Directors may establish reasonable compensation for, and provide reimbursement for expenses of, the members of the Board of Directors.

Section 78. Indemnification. Each person, now or hereafter a director, officer or agent of this Cooperative, shall be indemnified by the Cooperative against all costs and expenses, including counsel fees, reasonably incurred by or imposed upon him/her in connection with or resulting from any action, suit, or proceeding, or the settlement thereof prior to final adjudication, to which he/she is or may be a party by reason of his/her being or having been a director, officer or agent of the Cooperative (whether or not a director, officer or agent at the time such costs or expenses are incurred by or imposed upon him/her), if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Cooperative, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The right of indemnification herein provided shall be in addition to all other rights to which any such person may be entitled as a matter of law.

Section 89. Advisory Members. The Board of Directors may appoint one or more stockholders to serve as advisory members of the Board of Directors. Such persons shall have no voting rights. Their terms of office shall be stated at the time of their appointment.