

## **ARTICLE IV TRUSTEES**

**SECTION 1. General Powers.** The business and affairs of the Cooperative shall be managed by a board of seven trustees which shall exercise all of the powers of the Cooperative except such as are bylaws, the articles of incorporation, or these bylaws conferred upon or reserved to the members.

**SECTION 2. Qualifications and Tenure.** Trustees shall be elected for terms of three (3) years as their respective terms expire. If the election of trustees has not been held on the day designated herein for the annual meeting, or at any adjournment thereof, the board of trustees shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

No person shall be eligible to become or remain a trustee or to hold any position of trust in the Cooperative who:

- a) Is not a member of the Cooperative (or is not an officer, shareholder, or trustee of an entity member designated as the entity voting proxy) and a bonafide resident of, and physically residing in, the particular district which he/she is to represent, or
- b) Is in any way employed by or financially interested in a competing enterprise or a business selling electric energy or supplies to the Cooperative, or is an officer, trustee or shareholder owning ten percent or more of the stock of a corporation whose officer, shareholder, or trustee as corporate voting proxy (see a. above) presently holding a trustee seat.
- c) Is related by blood or marriage to any employee of Lower Yellowstone Rural Electric Assc. Inc. within the third degree.

Upon the establishment of the fact that a trustee is holding office in violation of any of the foregoing provisions, it shall immediately become incumbent upon the board of trustees to remove such trustee from office.

Nothing contained in this section shall in any matter whatsoever affect the validity of any action taken at any meeting of the board of trustees.

**SECTION 3. Removal of Trustees by Members.** Any member may bring charges against a trustee by filing such charges in writing with the Secretary, together with a petition signed by at least ten percent of the members and request the removal of such trustees by reason thereof. The Trustee against whom such charges have been brought shall be informed in writing of the charges at least five days prior to the meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him shall have the same opportunity. The question of the removal of such trustee shall be considered and voted upon at the next regular or special meeting of the members and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the forgoing provisions with respect to nominations, except that the new trustee must reside in the same district as the trustee in respect to whom the vacancy occurs.

**SECTION 4. Vacancies.** Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of trustees by the members, a vacancy occurring in the board of trustees shall be filled by the affirmative vote of a majority of the remaining trustees for the unexpired portion of the term of the trustee in respect of whom the vacancy occurs. The member elected as trustee to fill the vacancy must reside in the same district as the trustee as to whose office he succeeds.

**SECTION 5. Compensation.** Trustees as such shall not receive any salary for their services, but by resolution of the board of trustees a fixed sum and expenses of attendance, if any, may be allowed for attendance at any meetings authorized by the board of Trustees. No trustee shall receive compensation for serving the Cooperative in any other capacity, unless such compensation shall be specifically authorized by a vote of the members, or such payment and amount shall be specifically authorized by the remaining Trustees upon the certification of such as an emergency measure.