

Bylaws Redline
(Section 8 of Article IV)

Section 8. Qualifications for Candidates and Directors. A candidate for election as Director of a district, each Director elected to serve, and each Director appointed by the Board of Directors must be and remain throughout that person's term as Director: (i) a natural person; (ii) a Member in good standing of the Cooperative; (iii) legally capable of entering into legally binding contracts; (iv) within the past five (5) years not convicted of or plead guilty to a felony or to any crime of dishonesty, computer misuse, gambling, financial matters or other crimes which in the judgment of a majority of the current Board warrant disqualification; (v) not be financially interested in a competing enterprise or business selling electric energy or electric supplies to the Cooperative; (vi) not be employed in a managerial or sales capacity by a competing enterprise or a business selling electric energy or electric supplies to the Cooperative except local renewable and net meter accounts which have agreements with the Cooperative and are in compliance with SMPA policies; (vii) free of any continuing and substantial personal interest that is in conflict with the best interests of the Cooperative; (viii) not a relative of any employee of the Cooperative; (ix) not be employed by the Cooperative within the past ~~one (1) year~~three (3) years; (x) not an attorney hired by the Cooperative within the past ~~one (1) year~~three (3) years; (xi) not previously removed as a Director; (xii) a user of electric energy provided by the Cooperative; and (xi) a resident of that district. When a membership is held jointly by two or more persons, any one but not more than one joint owner may be elected a Director, provided however, that no joint owner shall be eligible to become or remain a Director unless all joint owners meet the qualifications of these Bylaws. No relative of a Director will be eligible to become or remain an employee of the Cooperative. For purposes of these Bylaws, "relative" means a person who is a spouse, party to a civil union, child, grandchild, great-grandchild, parent, grandparent, great-grandparent, brother, sister, aunt, uncle, nephew, or niece, inclusive, (i) by blood or (ii) in-law. Determination of whether or not a Director is in compliance with the requirements of this Section shall be made by action of the Directors, after consultation with legal counsel. Nothing in this Bylaw provision shall, or shall be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors.