

PROPOSED BYLAW AMENDMENT EXPLAINED

“Explained: The amendment of Article IV, Section 3 adds subparagraphs (d), (e) and (f). The additional provisions require that a director or candidate must have been a resident of the geographic district they represent for a period of three years and they cannot have been an employee of the Cooperative or close relative of an employee of the Cooperative, a subsidiary of the Cooperative or an affiliated business for a period of five years prior to the annual meeting at which the director is elected.”

To amend Article IV, Section 3 to the following: “In order to be eligible to become or remain a director of the Cooperative, a director or candidate for director shall meet the following requirements:

Add to bylaw language:

(d) For a period of three (3) consecutive years prior to the date of the annual meeting of members at which a director is elected to serve, the director or candidate for director shall have been a resident of the geographic district which said director is elected or nominated to represent; and

(e) For a period of five (5) consecutive years prior to the date of the annual meeting of members at which a director is elected to serve, the director or candidate for director shall not have been an employee of the Cooperative, a current or former agent or employee of a subsidiary of the Cooperative, a current or former agent or employee of a similarly situated or affiliated entity, or a current or former agent or employee of an entity financially compensated by the Cooperative; and

(f) For a period of five (5) consecutive years prior to the date of the annual meeting of members at which a director is elected to serve, the director or candidate for director shall not have been a close relative of an employee of the Cooperative, a close relative of a current or former agent or employee of a subsidiary of the Cooperative, a close relative of a current or former agent or employee of a similarly situated or affiliated entity, or a close relative of a current or former agent or employee of an entity financially compensated by the Cooperative. A close relative is defined as a father, mother, grandparent, spouse, brother, sister, son, daughter, niece, nephew, aunt or uncle existing by reason of blood, marriage or adoption.