

## **Section 2. Qualifications and Tenure.**

The board of directors shall consist of nine directors, three shall be elected from the Presque Isle District, comprising Presque Isle County; two shall be elected from the Alpena District, comprising Alpena and Alcona Counties; two shall be elected from the Montmorency District comprising Montmorency, Oscoda and Otsego Counties; and two shall be elected from the Cheboygan District, comprising Cheboygan, Emmet and Mackinac Counties. Each director shall serve for a term of three years or until their successor shall have been elected and shall have qualified. At each annual meeting thereafter, three directors shall be elected by ballot by and from the members to serve for a term of three years or until their successors shall have been elected and shall have qualified, subject to the provisions of these bylaws with respect to removal of directors. The election of three directors at each annual meeting shall continue as now established irrespective of the districts from which they are elected and nothing herein contained shall be construed to change or alter the present established schedule of election of directors from the various districts.

No member shall be eligible to become or remain a director or to hold any position of trust in the Co-op who is not a bona fide resident in the area served by the Co-op, or is in any way employed by or financially interested in a competing enterprise or a business selling energy or supplies to the Co-op, or a business primarily engaged in selling electrical, gas or plumbing appliances, fixtures or supplies to the members of the Co-op. Nor may any candidate for the board of directors be a close relative of any employee or director as that term is defined in Article VII, Section 11. When a membership is held jointly by a husband and wife, either one, but not both, may be elected a director, provided, however, that neither one shall be eligible to become or remain a director or to hold a position of trust in the Co-op unless both shall meet the qualifications herein above set forth. Nothing in this section contained 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.