

17-4661. Board of directors. (a) The business of a cooperative shall be managed by a board of not less than five directors, each of whom shall be a member of the cooperative. The bylaws shall prescribe the number of directors, their qualifications, other than those prescribed in the renewable energy electric generation cooperative act, the manner of holding meetings of the board of directors and of electing successors to directors who resign, die or are otherwise incapable of acting as a director. The bylaws may also provide for the removal of directors from office and for the election of their successors. Directors shall not receive any salary for their services as directors and, except in emergencies, shall not be employed by the cooperative in any capacity involving compensation without the approval of the members. The bylaws may provide that a fixed fee and expenses of attendance may be allowed to each director for attendance at each meeting of the board of directors and for other functions duly authorized for and on behalf of the cooperative.

(b) The directors of a cooperative named in any articles of incorporation, consolidation, merger or conversion shall hold office until the next annual meeting of the members and until their successors are elected and qualify. At each annual meeting or, in case of failure to hold the annual meeting as specified in the bylaws, at a special meeting called for that purpose, the members shall elect directors to hold office until the next annual meeting of the members, except as otherwise provided in the renewable energy electric generation cooperative act. Each director shall hold office for the term for which elected and until a successor is elected and qualifies.

(c) Instead of electing all the directors annually, the bylaws may provide for half of the directors, or a number as near thereto as possible, to be elected to serve until the next annual meeting of the members and that the remaining directors shall be elected to serve until the second succeeding annual meeting. Thereafter, as directors' terms expire, the members shall elect successor directors to serve until the second succeeding annual meeting after their election.

(d) Instead of electing the directors in the manner provided in subsection (b) or (c), the bylaws may provide that the members shall be elected at such annual meetings to serve for terms of three years, except that the terms of the first directors elected pursuant to this subsection may be fixed in such bylaws for a number of years not exceeding three and, upon the expiration thereof, all members thereafter to be elected for terms of three years.

(e) A majority of the board of directors shall constitute a quorum.

(f) If a husband and wife hold a joint membership in a cooperative, either one, but not both, may be elected a director.

History: L. 2003, ch. 81, § 11; July 1.