



MESSAGE
FROM
PRESIDENT/
CEO

**RYAN
BARTLETT**

Reflecting on Progress, Planning for the Future

AS WE BEGIN another year, I want to express gratitude for you, the members of Taylor Electric Cooperative, for your continued trust and support. Our cooperative was built on the promise of people coming together to improve the quality of life in their communities, and that promise still guides everything we do today.

Each decision—whether it's about delivering reliable electricity, innovating for the future or advocating for smart energy policies—comes back to one simple question: How will this benefit you, our member?

The past year has been marked by meaningful progress, both in strengthening our local system and in working at the national level to influence energy policies that directly affect reliability and affordability.

Over the past year, electric co-ops across the country came together for advocacy efforts on the Environmental Protection Agency's power plant rule. As originally written, the rule would have forced a rapid shift away from always-available power generation resources, threatening the accessibility of a diverse fuel supply that ensures reliability.

Renewable energy sources are an essential and growing part of our energy future, but we also know that the demand for electricity is rising rapidly, and natural gas, coal and nuclear remain essential for ensuring power is available around the clock.

As we collaborated and engaged with policymakers alongside other cooperatives, we pressed for a more balanced approach to generating power—one that supports clean energy innovation while still recognizing the role of traditional resources.

Modernizing federal permitting to strengthen the grid and meet growing demand is another area we're working on. This year, electric co-ops helped move the needle on permitting reform, advocating for policies that make the process faster, more predictable and more efficient.

Achievements like these are not just wins in Austin and Washington—they're wins for Taylor Electric members like you. In addition to advocacy efforts, we're proactively preparing for the future by investing in new technologies and programs that improve service. With advanced monitoring systems, we're better equipped to identify issues before they occur.

As we look ahead to a new year, I see challenges and opportunities on the horizon. The energy industry is undergoing significant change driven by rising demand for electricity, new tools and technologies, and federal energy policies.

I'm confident that with the dedication of Taylor Electric employees and the continued support of our members, we are well-positioned to adapt and meet challenges head-on. Through it all, our promise to you remains steadfast: reliable power for today—and tomorrow.

SAVE THE DATE
Taylor Electric
Cooperative's
87th Annual
Meeting



THURSDAY
APRIL 16, 2026

NOTICE OF DEADLINE FOR A PLACE ON THE ELECTION BALLOT

NOTICE IS HEREBY given that applications for a place on the Board of Directors for Taylor Electric Cooperative, Inc., regular election ballot may be filed during the following time:

FILING DATES AND TIMES

START DATE:
JANUARY 2, 2026

END DATE:
FEBRUARY 2, 2026,
AT 5:30 P.M.



PHOTO BY MACY FIELD

Substations Perform Powerful Role

The electrical system depends on devices behind the fences.

ELECTRICAL SUBSTATIONS ARE vital to delivering power to our community’s homes and businesses. The complex array of equipment serves as transit points in this system, with the ability to raise (“step up”) and lower (“step down”) voltage.

High voltage helps speed power across long distances on transmission lines. However, if electricity enters your home at too high a level, electronics could be damaged, as happens with lightning strikes.

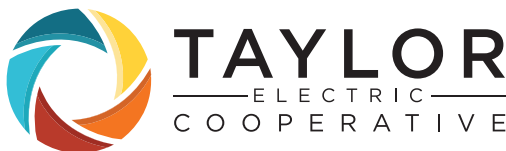
That’s why, as power gets closer to its final destination, substations reduce it to a safe and constant voltage level.

Several types of substations are found between power plants and homes. Each contains different equipment, including transformers, lightning arrestors, circuit breakers and insulators.

Initially, step-up substations at power plants increase electricity’s voltage to various levels (between 115 and 765 kilovolts) so it can be shipped through high-voltage transmission lines. Once electricity nears its destination, transmission substations typically reduce the voltage to between 23 and 69 kV.

From there, the power moves through smaller transmission facilities to electric co-op distribution systems. Distribution substation transformers then slash the voltage even lower, typically to 12,500 volts.

At this point, the distribution lines you see running up and down rural roads and across fields bring power to you. To make that energy safe for household use, a pole-mount transformer (the round object resembling a small gray garbage can be located near the top of a utility pole outside your residence) or a padmount transformer (the gray boxes dotting your neighborhood) cuts the voltage once more, to between 120 and 240 V. Remember, the voltage entering and exiting substations far exceeds anything you’ll find at home. Substation fences protect you and the equipment housed within and help ensure that your co-op can continue providing you with a safe, reliable and affordable supply of power.



Taylor Electric Cooperative

A Touchstone Energy® Cooperative 

CONTACT US

226 County Road 287, Merkel, TX 79536
P.O. Box 250, Merkel, TX 79536
Phone (325) 793-8500
Web taylorelectric.com

President/CEO

Ryan Bartlett

Board of Directors

Cecil Davis, Board Chairman, Zone 1
Kathryn Rainey, Board Vice Chairman, Zone 3
David McFall, Secretary/Treasurer, Zone 2
Craig Bessent, Zone 1
Garland Carter, Zone 2
Richard Petree, At-Large
Gay Simmons, Zone 3

24/7

**Outage
Hotline**

**For information and
to report outages,
please call us.**

**LOCAL
(325) 793-8500**

HANDY WAYS TO PAY YOUR BILL

ONLINE

taylorelectric.com

TAYLOR ELECTRIC APP

Available on your Apple or Android device.

BY PHONE

(325) 793-8500. Payments credited immediately.

IN PERSON

Hours Monday–Friday, 7:30 a.m.–5:30 p.m.

Merkel 226 CR 287, Merkel 79536

Abilene 7966 Highway 83, Abilene 79602

Payments credited immediately.

DROP BOX

Merkel office located near the entrance of the building.

Abilene office drive by box located on the south east end of the parking lot

Payments credited next business day.

NOTICE

Effective June 1, 2024, all credit/debit card transactions will be assessed a 2.45% convenience fee.

VISIT US ONLINE

taylorelectric.com



Check us out at
TexasCoopPower.com/taylor

Nominating Committee To Meet February 17

Candidate applications due at 5:30 p.m. February 2

TAYLOR ELECTRIC COOPERATIVE'S NOMINATING committee will meet at 10 a.m. February 17th to interview and approve nominees for the ballot.

Committee members, who each represent a zone within Taylor EC's service territory, will screen and interview applicants to be placed on the ballot. Voting for the director seats will take place at the 87th annual meeting.

If you or someone you know is interested in running for a seat on the board of directors, an eligibility checklist can be found below, and the application on the following page. Additional copies are available at Taylor EC's headquarters.

Applications are due by 5:30 p.m. February 2.

Taylor EC Nominating Committee

Zone 1 - Taylor County
Mrs. Kristi Allyn | Tuscola
Mr. Chad Widder | Abilene
Mrs. Colleen Richards | View

Zone 2 - Callahan, Jones, Eastland,
Shackelford Counties
Mr. Tom Edd Johnson | Cross Plains
Mrs. Ashley Thompson | Clyde

Zone 3 - Coke, Fisher, Nolan
Counties
Mr. Glenn Barton | Sweetwater
Mr. Terry Locklar, chairman |
Sweetwater
Mr. Jesse Mulanax | Sweetwater

How To Serve as a Taylor EC Director

Requirements To Serve as a Director

- ▶ Be a Taylor Electric Cooperative member in good standing for 10 years.
- ▶ Have no criminal history.

Process To Serve as a Director

- ▶ Must complete and return application by February 2 (can be found on the following page and can be requested anytime at Taylor EC's headquarters).
- ▶ The nominating committee meets February 17, when it will nominate candidates for the ballot.
- ▶ Directors will be elected at the annual meeting April 16.

Duties of a Director

- ▶ Review and approve the financials and the annual operating plan.
- ▶ Review and accept the annual financial audit report and management letter.
- ▶ Approve all applications for cooperative membership.
- ▶ Select and appoint legal counsel.
- ▶ Select and appoint auditors.
- ▶ Ensure an adequate and reliable

supply of power for the members.

- ▶ Review and approve the wholesale power contract.
- ▶ Hire and supervise the president/CEO, who hires cooperative staff.
- ▶ Comply with all board policies and bylaws, including attendance at cooperative meetings, training and certifications.
- ▶ Conduct membership meetings.
- ▶ Authorize the construction of major facilities necessary for the efficient operations of the cooperative.
- ▶ Protect the co-op's assets through review, approval and procurement of appropriate insurance coverage and adhere to all regulatory requirements on local, state and federal levels.
- ▶ Review and approve cooperative strategies, ideas and objectives for future membership needs.

Directors must expect to spend at least 16–20 days per year conducting cooperative business. This time includes regular board meetings and additional workshops or conventions associated with state and national affiliations.

Directors must also expect and plan for extended overnight travel each year.

Local board policy requires directors to secure certification through the National Rural Electric Cooperative Association. These courses train directors in the fundamentals of the power industry and explain all personal liabilities associated with the position.

Taylor EC directors receive no salary for their work on behalf of the cooperative.

For the protection of the cooperative, all nominees are subject to personal and financial background checks.

Board of Directors Application

Director Candidate Eligibility Application

Name	Email Address		
Contact Number(s)	Home	Work	Fax
Mailing Address	City	State	Zip
Residence Address	City	State	Zip
Occupation	Employer		Years
Taylor EC Account Number	Name(s) on account		

Please note that Taylor Electric Cooperative bylaws provide the guidelines for director candidate eligibility. A "Yes" answer to any question 1–5 may indicate a conflict of interest. If you answer "Yes" to any question 1–5 below, please explain below:

1. Are you currently holding an elected public office for which compensation is paid?
 Yes No
2. If your membership account is currently held jointly by husband and wife, is your spouse currently a director?
 Yes No
3. Have you or a close relative (spouse, brother, sister, son, daughter, mother or father, including any of the above by marriage) been employed by or received compensation for serving the cooperative in the past year?
 Yes No
4. In the past year, have you been employed by or had a financial interest in an entity that competes with the cooperative or poses a conflict of interest; or, have you been employed by or shared a material financial interest with another director?
 Yes No
5. Does your employer or business sell products or services to the cooperative?
 Yes No
6. Do you attend the cooperative's annual meeting each year and vote in director elections?
 Yes No
7. Do you have any experience on other boards or committees such as assemblies, councils, school boards, hospitals, churches, etc., that you think should be considered among your qualifications? If so, please list below.

Organization	Years served	Still serving?	Your capacity
_____	_____	<input type="radio"/> Yes <input type="radio"/> No	_____
_____	_____	<input type="radio"/> Yes <input type="radio"/> No	_____
_____	_____	<input type="radio"/> Yes <input type="radio"/> No	_____
_____	_____	<input type="radio"/> Yes <input type="radio"/> No	_____
_____	_____	<input type="radio"/> Yes <input type="radio"/> No	_____
_____	_____	<input type="radio"/> Yes <input type="radio"/> No	_____

Board of Directors Application continued

8. Aside from your membership with Taylor Electric Cooperative, what other cooperative memberships have you held?

Cooperative	Years	Your capacity
_____	_____	_____
_____	_____	_____

9. A director typically spends about 50 hours each year in cooperative business meetings in Merkel. Additional time may be required for meetings and training away from Merkel. If you become a cooperative director, how difficult will it be for you to find time for the following commitments?

	No problem	Rare problem	Real problem
Monthly, half-day to daylong board meeting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Special Board Meetings, usually two hours or less with one or two weeks' notice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Two- or three-day state or national meetings or seminars with at least one month's notice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Two- or three-day meetings or seminars anywhere in the United States with at least one month's and usually several months' notice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

10. Are you willing to attend state and national training courses for directors? Yes No

11. In your opinion, what are the greatest challenges facing Taylor Electric Cooperative in the future?

12. What is your most important qualification to serve as a Taylor Electric Cooperative director?

13. Why do you want to serve on the Taylor Electric Cooperative Board of Directors?

By signing this application, I agree to allow the Taylor Electric Cooperative Board of Directors to check my background and credit history as a part of my qualification to serve on the board of directors.

Signature _____

Date _____

Please submit a résumé, references or a letter of application if you desire to add more information.

By Mail: Taylor Electric Cooperative

Attention: Early election clerk
P.O. Box 250, Merkel, TX 79536

In Person: Taylor Electric Cooperative

Headquarters office
226 CR 287, Merkel, TX 79536
Fax: (325) 793-9680

Deadline for submission is February 2, 2026 at 5:30p.m.

Notice of Deadline To File Applications for Board Election

Taylor EC Incumbent Board Member Seeking Reelection

Notice is hereby given that applications for a place on the Taylor Electric Cooperative Board of Directors regular election ballot may be filed during the following:

FILING WINDOW

Begins: January 2, 2026

Ends: 5:30 p.m. February 2, 2026

Office hours: 7:30 a.m.–5:30 p.m. weekdays



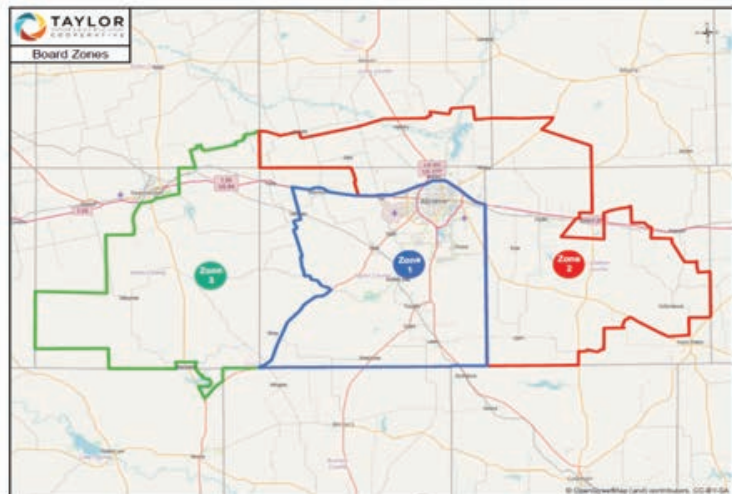
At-Large: Richard Petree

Physical address for filing board applications in person:

Taylor Electric Cooperative
Headquarters office
226 CR 287, Merkel, TX 79536
Fax: (325) 793-9680

Address to send board applications by mail—

Must be postmarked on/before February 2, 2026:
Taylor Electric Cooperative
Attention: Early election clerk
P.O. Box 250, Merkel, TX 79536
Fax: (325) 793-9680



Wishing you a year full of love, joy, and prosperity from your friends at
Taylor Electric Cooperative.



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Taylor EC Bylaws Excerpts

ARTICLE 4 BOARD OF DIRECTORS

Section 4.1 Board of Directors. The business and affairs of the Cooperative shall be managed by a Board of seven (7) Directors which shall exercise all the powers of the Cooperative conferred upon or reserved to the members. The Board shall have full power and authority to exercise all of the general powers as stated in the Texas Utilities Code, including, but not limited to, the following: Said Board may perform any other acts for the Cooperative or its members or for another electric Cooperative or its members and exercise any other power that may be necessary, convenient or appropriate to accomplish the purpose for which the Cooperative is organized, including other or additional purposes benefitting members and non-members whether directly or through affiliates. The Board shall further have full power and authority to create and organize for profit and/or non-profit, subsidiary corporations, which shall be owned by the Cooperative.

Section 4.2 Director Zones. The service area of the Cooperative is divided into three (3) Zones for the purpose of election of Directors. The Zones are as follows:

Zone 1 – Part of Taylor County described as; Beginning at the intersection of I-20 and the Taylor/Callahan County line, run West along I-20, past the town of Merkel, to the intersection of CR 385; thence run South along CR 385 to the intersection of FM 126, continuing South to the intersection of CR 389, continuing South to the intersection of CR 355, thence West a short distance to FM 126, thence continuing South along FM 126 to the intersection of CR 350, continuing South to the intersection of CR 351, continuing South to the intersection of FM 89; thence continuing Southeast along FM 89 to the intersection of US Hwy 277; thence run Southwest on Hwy 277 to the intersection of the Nolan/Taylor County border, thence South a short distance to the Nolan/Taylor/Runnels County corner boundary; thence run East along the Southern border of Taylor County to the intersection of Callahan County, thence run North along the Taylor/Callahan border to the point of beginning.

Zone 2 – Parts of Taylor, Jones, Shackelford, and Callahan Counties described as; Beginning at the intersection of I-20 and the Taylor/Callahan County line, run West along I-20 to the intersection of CR 412 (Wells Lane), thence run North to the intersection of CR 410, continuing North to the intersection of CR 414, continuing North to the intersection of the Jones County line; thence run West to the intersection with Fisher County, thence run North along the Fisher/Jones County line, approximately 5.5 miles, to the intersection with the Taylor EC Service Area boundary; thence run East along the Taylor EC Service Area boundary continuing through Jones, Shackelford and Callahan counties until reaching the intersection of US Hwy 283 South and the Coleman County line; thence run West to the Southeast corner of

Taylor County, thence run North along the Taylor/Callahan County line to the point of beginning.

Zone 3 – Parts of Taylor, Fisher, Nolan and Coke Counties described as; Beginning at the intersection of I-20 and CR 412 (Wells Lane), run North to the intersection of CR 410, continuing North to the intersection of CR 414, continuing North to the intersection of the Jones County line; thence run West to the intersection with Fisher County, thence run North along the Fisher/Jones County line, approximately 5.5 miles, to the intersection with the Taylor EC Service Area boundary; thence run West along the Taylor EC Service Area boundary continuing through Fisher, Nolan and Coke Counties to the intersection of Nolan, Taylor and Runnels County; thence run North along the western and part of the Northern border of Zone 1 to the point of beginning.

*** Service Area boundaries generally correspond to Service Area boundaries approved by the Public Utility Commission of Texas.

The zone boundaries are established to address parity of membership numbers in each zone while keeping communities of interest together in each zone. The entire membership of the Cooperative shall be eligible to vote in the election of Directors from all three Zones. At each Annual Meeting of the members, Directors shall be elected by ballot, by and from the members, to serve until their successor shall have been elected and shall have qualified, subject to the provisions of these Bylaws with respect to the removal of Directors.

The Board of Directors for the cooperative shall consist of two (2) Directors from each Zone and one (1) at-large Director who may be from any Zone. Directors shall be elected at each Annual Meeting of the Membership to serve for a three (3) year term. No more than one (1) Director from each Zone can be up for election in any one year.

Periodically the Board may review the Director Districts to ensure that the Director Districts equitably represent the Members while keeping communities of interest together in each zone.

Section 4.3 Director Qualifications. A Director or Director candidate must comply with this Bylaw.

(a) General Director Qualifications. To become and remain a Director, a Person must comply with the following general qualifications:

- (1) be an individual;
- (2) have the capacity to enter legally binding contracts;
- (3) not have been previously removed or disqualified as a Director;
- (4) while a Director, and during the ten (10) years immediately before becoming a Director, not be convicted of, or plead guilty to, a felony or two (2) misdemeanors; or found guilty of any offense involving moral turpitude;
- (5) except as otherwise provided by the Board for good cause, receive a credentialed Cooperative Director designation, Director's certificate, or similar designation or certification

from the National Rural Electric Cooperative Association within three (3) years of becoming a Director;

- (6) before becoming a Director, graduate from high school or earn an equivalent degree or certification; with some college preferred;
- (7) except as otherwise provided by the Board for good cause, attend at least two-thirds (2/3) of all Board Meetings during each twelve (12) month period;
- (8) comply with any other reasonable qualifications determined by the Board; and
- (9) maintain the confidentiality of Cooperative business discussed by the Board. Confidential Cooperative business includes: all undisclosed matters covered or discussed in executive session of the Board; as well as all confidential information and business plans and trade secrets. All Board Members must sign a Non-Disclosure Agreement (NDA) annually.

(b) Membership Director Qualifications. To become and remain a Director, an individual must comply with the following membership qualifications:

- (1) Natural Person Member
A natural person Member, while a Director and during the ten (10) years immediately before becoming a Director:
 - (A) be an unsuspended Member; and
 - (B) permanently reside or use electric energy provided by the Cooperative, at the individual's principal residence as defined under federal tax law within either the Cooperative Service area, or the Director Zone from which the Director is nominated or elected.

(c) Independent Director Qualifications. To become and remain a Director, an individual must comply with the following independence qualifications:

- (1) annually complete and sign an independence certification and disclosure form approved by the Board;
- (2) while a Director and during the ten (10) years immediately before becoming a Director, not be an employee of the Cooperative or an employee of an entity controlled by the Cooperative or in which the Cooperative owns a majority interest;
- (3) while a Director and during the ten (10) years immediately before becoming a Board Member, not be a close relative as defined in 4.16;
- (4) while a Director and during the five (5) years immediately before becoming a Director, not be an employee of an entity in which the Cooperative is a Member or owner;
- (5) while a Director not be a former employee who is classified as "not eligible for re-hire" or any close relative of the former employee who is classified as "not eligible for re-hire."
- (6) while a Director, not be a close relative of a Cooperative official, Director or Cooperative employee;
- (7) while a Director, not be employed by another Director, or be employed by, or receive

more than ten percent (10%) of Annual gross income from, an entity for which another Director controls, owns more than ten percent (10%), or is a Director or Officer; and

(8) while a Director and during the one (1) year immediately before becoming a Director, not be employed by, control, own more than ten percent (10%) of, serve as a Director or Officer of, or receive more than ten percent (10%) of Annual gross income from an entity that:

(A) advances the entity's pecuniary interest by competing with the Cooperative or a Cooperative subsidiary or Cooperative affiliate, providing a good or service similar to a good or service provided by the Cooperative or a Cooperative subsidiary or a Cooperative affiliate providing electric energy or a good or service related to providing electric energy.

(9) while a Director, not engage in any behavior, actions or activities that (i) subject either the Director or the Cooperative to ridicule or embarrassment; (ii) adversely affect the Directors or the Cooperative's reputation; (iii) interfere with or diminish the Director's standing as a Cooperative ambassador and representative; or (iv) are contrary to the best interests of the Cooperative and its employees; or (v) that intentionally damage or hold a vendetta against the Cooperative.

(d) Director Disqualification. After being elected, designated, or appointed, if a Director does not comply with all general Director Qualifications, Membership Director Qualifications, and Independent Director Qualifications (collectively, Director Qualifications) existing when the Director was elected, designated, or appointed, then, except as otherwise provided by the Board for good cause, the Board shall disqualify the Director Board Member and the individual is no longer a Director if:

(1) the Board notifies the Director in writing of the basis for, and provides the Director Board Member an opportunity to comment regarding, the Board's proposed disqualification; and

(2) within twenty (20) days after the Board notifies the Director of the proposed disqualification, the Director neither complies with nor meets the Director qualification.

If a majority of Directors authorized by these Bylaws complies with the Director qualifications and approves a Board action, then the failure of a Director to comply with the Director qualifications does not affect the Board action.

Section 4.4 Director Nominations. For each Board position scheduled for election by Members at a meeting, the nominating members or Members shall nominate individuals as provided in this Bylaw.

(a) Nominating Committee Nominations. At least forty-five (45) days before the meeting at which members are scheduled to elect Directors, the Nominating Committee, as formed under Section 3.8, shall meet for the purpose of considering candidates to be nominated for Director. The Cooperative's Board Attorney shall attend the Nominating Committee meetings and provide

counsel to the Nominating Committee. The committee shall:

(1) require Director candidate(s) to attend the Nominating Committee Meeting at which time candidate(s) will be interviewed by the Committee; except for good cause;

(2) nominate at least one (1) individual to run for election for each Director position scheduled for election by Members at the meeting; and

(3) publish the Nominating Committee nominations in Texas Co-Op Power.

Nominating Committee members and three (3) generations of their immediate family shall not be eligible for nomination for a Director position while said appointee serves on the Nominating Committee. In cases where there is no incumbent Director seeking reelection, the open seat on the Board should have at least two nominees on the ballot at the Annual Meeting.

(b) Member Petition Nominations. In addition to Nominating Committee Nominations, Members may nominate, through a petition, individuals to run for election for a Director position scheduled for election. Members make Member Petition nominations by delivering to the Nominating Committee at least fifteen (15) business days before the meeting of the Nominating Committee to set the Annual Meeting ballot a writing for each Member Petition Nomination:

(1) listing, on each page of the Member Petition, the name of the Member Petition Nominee;

(2) indicating, on each page of the Member Petition, the Director position for which the Member Petition Nominee will run; and

(3) containing the printed names, addresses, and telephone numbers, and original dated signatures signed within sixty (60) days of the first signature, of at least thirty-five (35) nominating members.

After the Cooperative's Attorney verifies that a Member Petition complies with this Bylaw, the Cooperative shall display the Petition Nomination.

(c) No Nominations from the Floor. Members may not nominate at, or from the floor of, a meeting an individual to run for election to a Director position scheduled for election at the meeting, due to the lack of proper notice to the membership.

(d) Notice of Director Nominations. At least ten (10) days before a meeting at which Members are scheduled to elect Directors, the Cooperative shall notify Members of the:

(1) Director positions scheduled for election by Members;

(2) names and corresponding Director positions of all Committee Nominations; and

(3) names and corresponding Director positions of all Petition Nominations.

Section 4.5 Board of Director Elections. At each meeting at which a Director position is scheduled for election by Members, Members shall elect the Director from the Committee Nominations or Petition Nominations by a plurality of votes cast by Members with a quorum present in person. Members may not vote for write-in candidates. As determined by the individual presiding

at the meeting, the number of votes received by each nominee will or will not be announced. The candidate receiving the plurality of votes shall be the winner of the election. In cases of a tie, the winner shall be decided by lot, pursuant to a method determined by the presiding officer.

If only one individual is nominated to run for election for a Director position scheduled for election by Members at the Meeting, then the individual presiding at the Meeting may announce that the nominated individual is elected by acclamation and no vote is required.

Section 4.6 Board Member Terms. Except as otherwise provided in these Bylaws, a Director's term is three (3) years or until a successor Director is elected or appointed and takes office. A Director's term begins: (1) after the individual consents to being elected or appointed as a Director; and (2) immediately after adjournment of the Meeting at which the Director is elected, or at the beginning of the first Board meeting held after the Director is appointed. A Director's term ends after: (1) a successor Director consents to being elected as a Director; and (2) immediately after adjournment of the meeting at which a successor Director is elected, or at the beginning of the first Board meeting held after a successor Director is appointed.

The Cooperative shall stagger Director terms by dividing the total number of authorized Directors into groups of approximately equal number. Members must annually elect Directors. Subject to a Director's consent, decreasing the number of Directors or length of Director terms may not shorten an incumbent Director's term.

Section 4.7 Board Member Resignation. A Director may resign at any time. To resign, a Director must sign and deliver a Notice of Resignation to the Board, Board Chairman or Secretary. Except as a later date is otherwise provided in a Notice of Resignation, a Director's Resignation is effective when the Board, Board Chairman or Secretary receives the Notice of Resignation. If a Director's Resignation is effective at a later date, and if the successor Director does not take office until the effective date of the Director's Resignation, then the pending Director Vacancy (Section 4.10) may be filled before the effective date of the Director's Resignation.