

SECTION 4.3 DIRECTOR QUALIFICATIONS

No person shall be eligible to become or remain a Director, or to hold any position of trust in the Cooperative who:

[a] Is a close relative of an incumbent Director or of an employee of the Cooperative, or is not a member in good standing of the Cooperative and receiving service therefrom at either the member's primary residential abode or place of business. For the purpose of this section and these Bylaws, "close relative" includes parents, husband, wife, children, brothers, sisters, grandparents, grandchildren, uncles, aunts, nephews, and nieces, by blood, by marriage, or by adoption, and spouses of any of the foregoing, or anyone who principally resides in the same residence.

[b] Is an officer or employee of a collective bargaining unit with which the Cooperative has a labor contract;

[c] Is in any way employed by or financially interested in a competing enterprise, or a business selling telecommunication service or supplies to the Cooperative.

[d] Has not disclosed a financial interest of the person or a close relative in a business which sells or intends to sell supplies or services to the Cooperative.

[e] PROVIDED, that the operating and chief executive of any member which is not a natural person, such as a corporation, church, or its designee, shall notwithstanding that said executive does not receive residential service from the Cooperative be eligible to become a Director, if such designee (1) is in substantial permanent occupancy, direction or use of the premises served by the Cooperative, and (2) is a bona fide permanent and year-round resident within or in close proximity to an area served by the Cooperative, but, provided further, that no more than one (1) such person may serve on the Board of Directors at the same time.

[f] No person shall be eligible to become or remain a Director of, or to hold any other position of trust in the Cooperative who does not have the legal capacity to enter into a binding contract pursuant to the laws of the State of Alaska.

[g] Upon establishment of the fact that a nominee for Director lacks eligibility under this section or as may be provided elsewhere in these Bylaws, it shall be the duty of the chairman presiding at the meeting at which such nominee would otherwise be voted upon to disqualify such nominee. Upon the establishment of the fact that any person being considered for, or already holding, a directorship or other position of trust the Cooperative lacks eligibility under this Section, it shall be the duty of the Board of Directors to withhold such position from such person, or to cause the Director to be removed therefrom, as the case may be.

[h] To remain a Director, the Director must attend two-thirds (2/3) or more of the regular meetings during each twelve-month period, beginning with the month of his/her election. Upon establishment of the fact that a Director is in violation of any of the provisions of this section, that office shall be deemed vacant.

[i] Nothing contained in this section 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, unless such action is taken with respect to a matter which is affected by the provisions of this section and in which one or more of the Directors have an interest adverse to that of the Cooperative.