

16-16-803 Qualifications of directors.

- (1) Unless the organic rules otherwise provide, and subject to Subsection (3), each director of a limited cooperative association shall be an individual who is a member of the association or an individual who is designated by a member that is not an individual for purposes of qualifying and serving as a director. Initial directors need not be members.
- (2) Unless the organic rules otherwise provide, a director may be an officer or employee of the limited cooperative association.
- (3) If the organic rules provide for nonmember directors, the number of nonmember directors may not exceed:
 - (a) one, if there are two through four directors;
 - (b) two, if there are five through eight directors; or
 - (c) 1/3 of the total number of directors if there are at least nine directors.
- (4) The organic rules may provide qualifications for directors in addition to those in this section.

Amended by Chapter 378, 2010 General Session