

Northern Lights, Inc. (NLI) Declaration of Director Candidate 2012

NAME: (PLEASE PRINT)

(Please print your name as you would like it to appear on the ballot)

ADDRESS:

PHONE: _____

ACCOUNT NO. _____

DIRECTOR DISTRICT NO. _____

SIGNATURE: _____

I, _____, under penalty of perjury, do declare that I meet all the requirements of Section 4.02 (see reverse) of the NLI Bylaws. I also understand that failure to disclose any information that would prohibit my nomination, according to said Section 4.02 of the Bylaws, will disqualify me from serving as a Director on the Board of NLI. I hereby authorize NLI to release my NLI account information to the Credentials and Election (C&E) Committee with the understanding that the C&E Committee will decide the eligibility of each candidate.

1. Are you an NLI member in good standing as defined in NLI Policy No. 1008 (see attached):
 - a. Are you a member of NLI? Yes _____ No _____
 - b. Have you made more than three (3) late payments to NLI during the prior 12 months? Yes _____ No _____
 - c. Has NLI made any collection attempts on your account during the prior 12 months? Yes _____ No _____
 - d. Have you issued more than two (2) non-sufficient funds checks to NLI during the prior 12 months? Yes _____ No _____
 - e. Are you subject to a restraining order or injunction prohibiting contact with NLI? Yes _____ No _____
 - f. Have you been convicted of a felony involving moral turpitude within the prior ten (10) years? Yes _____ No _____
2. Are you at least 18 years of age? Yes _____ No _____
3.
 - a. Are you an employee of NLI? Yes _____ No _____
 - b. Are you a close relative of an incumbent Director? Yes _____ No _____
4.
 - a. Is your primary residence in the NLI district for which you are a candidate? Yes _____ No _____
 - b. Are you registered to vote in Idaho and/or Montana? Yes _____ No _____
 - c. Do you file Idaho and/or Montana state income tax? Yes _____ No _____
 - d. Do you claim an Idaho and/or Montana homeowner's property tax exemption? Yes _____ No _____
 - e. Do you have any motor vehicles registered in the state of Idaho and/or Montana? Yes _____ No _____
5. Are you in any way employed by or financially interested in a competing enterprise? Yes _____ No _____
6. Do you have a business substantially engaged in selling electrical or natural gas appliances, fixtures or supplies to NLI? Yes _____ No _____

PLEASE INCLUDE A RECENT PHOTOGRAPH AND A BRIEF BIOGRAPHY (NOT TO EXCEED 150 WORDS), WITH THE RETURN OF THIS FORM. THIS INFORMATION WILL BE PROVIDED TO ALL MEMBERS IN YOUR DISTRICT. PLEASE RETURN THIS FORM TO NLI HEADQUARTERS BY **APRIL 4, 2012**.

Excerpt from NLI Bylaws Regarding Qualification of Directors

**ARTICLE IV
DIRECTORS**

SECTION 4.01. Number and General Powers. The business and affairs of the Cooperative shall be managed by a Board of Directors consisting of seven (7) persons. The Board shall exercise all of the powers of the Cooperative except such as are by law or by the Cooperative's Articles of Incorporation or Bylaws conferred upon or reserved to the members. The Board of Directors may by resolution designate one or more committees pursuant to Idaho Code 30-317.

SECTION 4.02. Qualifications. To be eligible to become or remain a Director, any such person:

- (a) must be a member of the Cooperative, eighteen (18) years or older and in good standing. To be in good standing a member:
 - 1. shall not have more than three (3) late payments to the Cooperative and no more than two (2) non-sufficient funds checks issued to the Cooperative within the prior twelve (12) months.
 - 2. shall not be subject to a restraining order or injunction prohibiting contact with the Cooperative.
 - 3. shall not have been convicted of a felony involving moral turpitude within the prior ten (10) years.
- (b) must not be a close relative of an incumbent Director;
- (c) must maintain a primary residence receiving service from the cooperative in the geographical area represented by the Director;
- (d) must not be an employee of the Cooperative; and
- (e) must not be in any way employed by or financially interested in a competing enterprise or a business selling electric energy or supplies or natural gas to the Cooperative, or a business substantially engaged in selling electrical or natural gas appliances, fixtures or supplies to the Cooperative. Notwithstanding any of the foregoing provisions of this Section relating to "close relative" relationship, no incumbent director shall lose eligibility to remain a Director or to be re-elected as a Director if he or she becomes a close relative of another incumbent Director or of a Cooperative employee solely because of a marriage or an adoption to which the Director was not a party.

Any director who breaches the Director's fiduciary duties to the Cooperative, violates confidences which cause actual damage or injury to the Cooperative, or engages in illegal activity under the color of authority as a Director of the Cooperative may be removed by the Board of Directors.

Upon establishment of the fact that any person seeking election is in violation of any of the foregoing provisions, the Board of Directors shall not allow such person to stand for election. Upon the establishment that any Director is in violation of any of the foregoing provisions, the Board shall remove such Director. Nothing contained in this Section shall affect in any manner whatsoever the validity of any action taken at any meetings of the Board of Directors. Any determination by the Board of Directors under this section shall be by a two-thirds (2/3) majority vote of the Board of Directors, following notice and a full hearing by the Board of Directors.

If a Director, without prior approval by the Board President, shall miss three (3) regular meetings of the Board of Directors out of any twelve (12) consecutive meetings, the Director may be removed from the Board by a majority vote of the Board of Directors.