

ARTICLE VIII - Disposition of Property

No sale, lease, lease-sale, exchange or other disposition of all or a substantial portion of the Cooperative's assets to any other entity shall be authorized except in conformity with the following:

- (a) If the board of trustees looks with favor upon any proposal for such sale, lease, lease-sale, exchange or other disposition, it shall first cause three (3) independent appraisers, expert in such matters, to render their individual opinions as to the value of the Cooperative with respect to such a sale, lease, lease-sale, exchange or other disposition and as to any other terms and conditions which should be considered. Appointment of such appraisers shall be made by the board of trustees.
- (b) If the board of trustees, after receiving such appraisals (and other terms and conditions which are recommended, if any), determines that the proposal should be submitted for consideration by the members, it shall first give every other electric membership corporation corporately sited and operating in the state (which has not made such an offer for such sale, lease, lease-sale, exchange or other disposition) an opportunity to submit competing proposals. Such opportunity shall be in the form of a written notice to such electric membership corporations, which notice shall be attached to a copy of the proposal which the Cooperative has already received and a copy of the report(s) of the three (3) appraisers. Such electric membership corporations shall be given not less than thirty (30) days during which to submit competing proposals, and the actual minimum period within which proposals are to be submitted shall be stated in the written notice given to them.
- (c) If the board then determines that favorable consideration should be given to the initial or any subsequent proposal which has been submitted to it, it shall notify the members, expressing in detail each of any such proposals, and shall call a special meeting of the members for consideration thereof, which meeting shall not be held sooner than ninety (90) days after the giving of such notice to the members: PROVIDED, that consideration thereof by the members may be given at the next annual member meeting if the board so determines and if such annual meeting is not held sooner than ninety (90) days after the giving of such notice.
- (d) Any fifty (50) or more members, by so petitioning the board not less than thirty (30) days prior to the date of such special or annual meeting, may cause the Cooperative, with the cost to be borne by the Cooperative, to mail to all members any opposing or alternative positions which they may have to the proposals that have been submitted or any recommendations that the board has made.

The foregoing provisions shall not apply to a sale, lease, lease-sale, exchange or other disposition to one or more other electric membership corporations if the substantive effect thereof is to merge or consolidate with such other one or more electric membership corporations. Should a sale, lease, lease-sale, exchange or other disposition be with another electric membership corporation, such disposition shall be covered by Title 35, Section 18, Part 4 of the Montana Codes Annotated, or any subsequent State legislation.