

(2) The terms of the directors shall be staggered as required by the terms provided for directors on July 1, 1988.

(3) If a vacancy occurs as to an elected director, the Board of Directors shall elect a successor to fill the vacancy until the next annual meeting of the members of the Corporation. At the annual meeting, the members of the Corporation shall elect a successor to serve for the rest of the term and until a successor is elected and qualifies:

(e) A majority of the full authorized membership of the Board of Directors is a quorum.

(f) Each director is entitled to reasonable compensation, as set by the Board of Directors with the approval of the Commissioner.

7-110.

(a) (1) The Board of Directors of the Corporation:

(i) Shall elect one of its members as chairman of the Board; and

(ii) May appoint any officers and employees that it considers advisable.

(2) The manner of election of the chairman and appointment of officers and their terms of office shall be as the bylaws provide.

(b) In accordance with the bylaws of the Corporation, the Board of Directors shall set the amount of the fidelity bonds of the officers and employees of the Corporation.

7-111.

(a) The Board of Directors of the Corporation shall adopt bylaws for the Corporation and rules and regulations to carry out the provisions of this title.

(b) (1) A bylaw, rule, or regulation becomes effective only after it is submitted to and approved by the Commissioner.

(2) A bylaw, rule, or regulation is considered approved if the Commissioner does not notify the Corporation of disapproval and the reasons for it within 30 days after submission of the bylaw, rule, or regulation.

(3) The Commissioner may disapprove a bylaw, rule, or regulation only if the Commissioner has reason to believe that:

(i) It is contrary to the principles or purposes of this title; or

(ii) It does not serve the best interests of the public.