

271B.8-250 Committees -- Powers -- Limitations -- Alternate members.

- (1) Unless this chapter, the articles of incorporation, or the bylaws provide otherwise, a board of directors may create one (1) or more committees and appoint one (1) or more members of the board of directors to serve on any such committee.
- (2) Unless this chapter provides otherwise, the creation of a committee and appointment of members to it shall be approved by the greater of:
 - (a) A majority of all the directors in office when the action is taken; or
 - (b) The number of directors required by the articles of incorporation or bylaws to take action under KRS 271B.8-240.
- (3) KRS 271B.8-200 to 271B.8-240 shall apply both to committees of the board and to their members as well.
- (4) To the extent specified by the board of directors or in the articles of incorporation or bylaws, each committee may exercise the powers of the board of directors under KRS 271B.8-010.
- (5) A committee shall not, however:
 - (a) Authorize or approve distributions, except according to a formula or method, or within limits, prescribed by the board of directors;
 - (b) Approve or propose to shareholders action that this chapter requires be approved by shareholders;
 - (c) Fill vacancies on the board of directors or, subject to the provisions of subsection (7) of this section, on any of its committees; or
 - (d) Adopt, amend, or repeal bylaws.
- (6) The creation of, delegation of authority to, or action by a committee shall not alone constitute compliance by a director with the standards of conduct described in KRS 271B.8-300.
- (7) The board of directors may appoint one (1) or more directors as alternate members of any committee to replace any absent or disqualified member during the member's absence or disqualification. Unless the articles of incorporation, the bylaws, or the resolution creating the committee provide otherwise, in the event of the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting may unanimously appoint another director to act in place of the absent or disqualified member.

Effective: July 15, 2002

History: Amended 2002 Ky. Acts ch. 102, sec. 20, effective July 15, 2002. -- Created 1988 Ky. Acts ch. 23, sec. 83, effective January 1, 1989.