

272.020 Organization of cooperative corporation - Officers -- Votes -- Quorum.

- (1) Any three (3) or more persons who are residents of this state may organize a cooperative corporation to conduct any agricultural, dairy, mercantile, mining, manufacturing, mechanical, service, or other lawful business, except organizations subject to any of the provisions of the banking laws of this state.
- (2) The cooperative corporation shall be organized with shares or with memberships, as provided in articles of incorporation.
- (3) The directors of the cooperative corporation shall be elected by the stockholders or members at such times and for such term of office as the bylaws prescribe, and shall hold office until their successors are elected. A majority of the stockholders or members at any regular or special stockholders' or members' meeting, legally called, may remove any director or official for cause, and fill the vacancy.
- (4) There shall be a president, one (1) or more vice presidents, and a secretary and treasurer, or secretary treasurer, elected annually by and from the directors.
- (5) No stockholder or member, regardless of the number of shares he may own, shall have more than one (1) vote upon any proposition.
- (6) The articles of incorporation or bylaws of a cooperative corporation may prohibit voting by proxy or voting trusts.
- (7) Unless otherwise provided in the articles of incorporation or bylaws, a majority of the stockholders or members entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders or members. In no event shall a quorum consist of less than one-third (1/3) of the stockholders or members entitled to vote, except that the articles of incorporation or bylaws of a cooperative corporation which prohibits both proxies and voting trusts may provide for a lower quorum; but in no event shall the quorum be set lower than one-tenth (1/10) of the stockholders or members entitled to vote or twenty (20) such stockholders or members, whichever is less.

Effective: July 15, 1986

History: Amended 1986 Ky. Acts ch. 393, sec. 2, effective July 15, 1986. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 883d-1, 883d-5, 883d-6.