

286.5-211 Board of directors -- Qualifications -- Election -- Vacancies, filled, how.

- (1) The business of the association shall be directed by a board of directors of not less than five (5), nor more than fifteen (15), all of whom shall be residents of this state, as determined and elected by ballot from among the members by a majority of the votes of the members present.
- (2) In order to qualify as a director, a member of an association must hold a savings account, or savings certificate the withdrawal value of which is at least five hundred dollars (\$500).
- (3) At the first annual meeting, the directors shall by majority vote be divided into three (3) classes of as nearly equal numbers as possible. The terms of office of directors of the first class shall expire at the annual meeting next after the first election; of the second class, one (1) year thereafter; and of the third class, two (2) years thereafter; and at each annual election thereafter directors shall be chosen for a full term of three (3) years to succeed those whose terms expire.
- (4) The authorized numbers of directors within the limits specified in subsection (1) may be subsequently increased or decreased only by vote of the members.
- (5) If the members fail to elect a director to fill each vacancy created by any such increase, the directors may fill such vacancy by electing a director to serve until the next annual meeting of the members, at which time a director shall be elected to fill the vacancy for the unexpired term for the class of director in which such vacancy exists.
- (6) If the number of directors is changed and vacancies caused by such change are filled, the directors so elected shall be classified in accordance with the provisions of this section, so that each of the three (3) classes shall always contain numbers as nearly equal as possible.
- (7) Any vacancy among the directors, not so filled by the members, may be filled by a majority vote of the remaining directors, though less than a quorum, by electing a director to serve until the next annual meeting of the members, at which time a director shall be elected to fill the vacancy for the unexpired term for the class of director in which such vacancy exists. In the event of a vacancy on the board of directors from any cause, the remaining directors shall have full power and authority to continue direction of the association until such vacancy is filled.

Effective: June 18, 1964

History: Created 1964 Ky. Acts ch. 138, sec. 10, effective June 18, 1964.

Formerly codified as KRS 289.211.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286.