

CHAPTER 130**(SB 164)**

AN ACT relating to corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 271B.8-050 is amended to read as follows:

- (1) The terms of the initial directors of a corporation shall expire at the first shareholders' meeting at which directors are elected.
- (2) The terms of all other directors shall expire at the next annual shareholders' meeting following their election unless their terms are staggered under KRS 271B.8-060.
- (3) A decrease in the number of directors shall not shorten an incumbent director's term.
- (4) *For a corporation the directors of which are divided into groups under KRS 271B.8-060, any director filling a vacancy under KRS 271B.8-100 shall hold office until the next election of the group in which the director is filling the vacancy, and until his or her successor shall be elected and qualified*~~[The term of a director elected to fill a vacancy shall expire at the next shareholders' meeting at which directors are elected].~~
- (5) Despite the expiration of a director's term, he shall continue to serve until his successor is elected and qualifies or until there is a decrease in the number of directors.

Approved March 20, 2001