

271B.7-280 Voting for directors -- Cumulative voting.

- (1) Unless otherwise provided in the articles of incorporation, directors are elected by a plurality of votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present. A "plurality" means that the individuals with the largest number of votes are elected as directors up to the maximum number of directors to be chosen at the election.
- (2) Shareholders do not have the right to cumulate their votes for directors unless the articles of incorporation so provide.
- (3) A statement included in the articles of incorporation that "all, or a designated group of, shareholders are entitled to cumulate their votes for directors," or words of similar import, means that the shareholders designated are entitled to multiply the number of votes they are entitled to cast by the number of directors for whom they are entitled to vote and cast the product for a single candidate or distribute the product among two (2) or more candidates.

Effective: November 15, 2002

History: Amended 2002 Ky. Acts ch. 102, sec. 18, effective November 15, 2002. -- Created 1988 Ky. Acts ch. 23, sec. 64, effective January 1, 1989.

Legislative Research Commission Note (6/26/2007). 2007 Ky. Acts ch. 137, sec. 179, effective June 26, 2007 provided: The General Assembly finds and declares that the amendment of KRS 271B.6-210, 271B.6-230, 271B.7-040, 271B.7-280, and 271B.8-080, as provided for in 2002 Ky. Acts ch. 102, secs. 10, 11, 15, 18, and 19, respectively, are and were effective as of November 15, 2002.

Legislative Research Commission Note (11/15/02). 2002 Ky. Acts ch. 102, sec. 22, provides that this section "shall take effect November 15, 2002, if a constitutional amendment proposing to amend Sections 190, 191, 192, 193, 194, 195, 198, 200, 202, 203, 205, 207, and 208 of the Constitution of Kentucky relating to corporations is enacted by the General Assembly and approved by the voters in the November, 2002 general elections. Otherwise, [this section] shall be void."

A constitutional amendment proposing to amend 11 of those 13 sections of the Constitution was enacted by the General Assembly and approved by the voters. During the 2002 Regular Session, the General Assembly enacted 2002 Ky. Acts ch. 341, which proposed to amend Sections 190, 191, 192, 193, 194, 198, 200, 202, 203, 207, and 208 of the Constitution of Kentucky. The voters approved that amendment in the November, 2002 general elections.