

271B.16-210 Other reports to shareholders -- Other requirements of a public benefit corporation.

- (1) If a corporation indemnifies or advances expenses to a director under KRS 271B.8-510 to 271B.8-540 in connection with a proceeding by or in the right of the corporation, the corporation shall report the indemnification or advance in writing to the shareholders with or before the notice of the next shareholders' meeting.
- (2) A public benefit corporation shall no less than annually provide its stockholders with a statement as to the corporation's promotion of the public benefit or public benefits identified in the articles of incorporation and of the best interests of those materially affected by the corporation's conduct. The statement shall include:
 - (a) The objectives that the board of directors has established to promote the public benefit or public benefits and interests;
 - (b) The standards that the board of directors has adopted to measure the corporation's progress in promoting the public benefit or public benefits and interests;
 - (c) Objective factual information based on those standards regarding the corporation's success in meeting the objectives for promoting the public benefit or public benefits and interests; and
 - (d) An assessment of the corporation's success in meeting the objectives and promoting the public benefit or public benefits and interests.
- (3) The articles of incorporation or bylaws of a public benefit corporation may require that the corporation:
 - (a) Make the statement described in subsection (2) of this section available to the public; or
 - (b) Use a third-party standard in connection with, or attain a periodic third-party certification addressing, the corporation's promotion of the public benefit or public benefits identified in the articles of incorporation or the best interests of those materially affected by the corporation's conduct.

Effective: June 29, 2017

History: Amended 2017 Ky. Acts ch. 28, sec. 9, effective June 29, 2017. -- Created 1988 Ky. Acts ch. 23, sec. 172, effective January 1, 1989.