

273.221 Committees of the board -- Advisory committees.

- (1) Unless this chapter, the articles of incorporation, or the bylaws provide otherwise, a board of directors may create one (1) or more committees of the board and appoint directors to serve on the committee or committees. Each committee shall have two (2) or more directors, and all committee members shall serve at the pleasure of the board of directors. The board may delegate to one (1) or more directors the authority to appoint or remove the members of the committee. An individual who is not a director may serve on a committee of the board, but may not vote on any matter that binds the corporation.
- (2) To the extent specified by the board of directors or in the articles of incorporation or bylaws, a committee may exercise the powers of the board of directors under this chapter, except as limited by subsection (3) of this section.
- (3) A committee shall not:
 - (a) Authorize distributions;
 - (b) In the case of a membership corporation, authorize the repurchase or redemption of a member's membership in the corporation;
 - (c) In the case of a membership corporation, authorize or propose to members any action that this chapter requires be approved by members;
 - (d) Fill vacancies on the board of directors;
 - (e) Adopt, amend, or repeal bylaws;
 - (f) Elect, appoint, or remove any officer of the corporation;
 - (g) Establish a board committee or establish or alter the manner in which committee members are appointed to these committees;
 - (h) Amend or restate articles of incorporation;
 - (i) Adopt a plan of merger or consolidation;
 - (j) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the corporation;
 - (k) Authorize the voluntary dissolution of the corporation or revoke proceedings therefor; or
 - (l) Amend, alter, or repeal any resolution of the board of directors.
- (4) Unless this chapter, the articles of incorporation, or the bylaws provide otherwise, a board of directors may create one (1) or more advisory committees, whose members need not be directors. The board of directors may appoint and remove, or may designate any director or officer of the corporation to appoint and remove, the members of an advisory committee. An advisory committee may not act on behalf of the corporation or bind the corporation to any action but may make recommendations to the board of directors, to any board committee, or to the officers of the corporation.
- (5) The creation of, delegation of authority to, or action by a committee does not alone constitute compliance by a director with the standards of conduct described in KRS 273.215.

Effective: July 14, 2018

History: Repealed and reenacted 2018 Ky. Acts ch. 193, sec. 3, effective July 14, 2018.
-- Created 1968 Ky. Acts ch. 165, sec. 20.