

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 105

AN ACT to amend the Indiana Code concerning business and other associations.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 23-17-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) Except as otherwise provided in this article, articles of incorporation, or bylaws, a quorum of a board of directors consists of a majority of the directors in office immediately before a meeting begins. Articles of incorporation or bylaws may not authorize a quorum of fewer than the greater of the following:

- (1) One-third (1/3) of the number of directors in office.
- (2) Two (2) directors.

(b) If a quorum is present **in person** when a vote is taken, the affirmative vote of a majority of directors:

- (1) **who are present in person; or**
- (2) **in the case of a mutual benefit corporation that:**
 - (A) **is an electric cooperative; and**
 - (B) **has at least one (1) member that is a corporation formed under IC 8-1-13;**

who are present in person or by proxy as provided under section 5.5 of this chapter;

when the act is taken is the act of the board of directors unless this article, articles of incorporation, or bylaws require the vote of a greater number of directors.

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SECTION 2. IC 23-17-15-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 5.5. (a) This section applies only to a mutual benefit corporation that:**

- (1) is an electric cooperative; and**
- (2) has at least one (1) member that is a corporation formed under IC 8-1-13.**

(b) A director of a mutual benefit corporation described in subsection (a) may vote in person or by proxy.

(c) Unless articles of incorporation or bylaws limit proxy voting, a director of a mutual benefit corporation described in subsection (a) may appoint a proxy to act for the director. A director may appoint a proxy by signing an appointment form:

- (1) personally; or**
- (2) by attorney-in-fact.**

(d) A proxy appointed under subsection (c) must be another member of the board of directors of the member that is represented by the director who appoints the proxy.

(e) An appointment of a proxy is effective when received by the secretary or other officer or agent authorized to tabulate votes. An appointment is valid for eleven (11) months, unless the appointment form conspicuously states that the appointment is for a shorter or longer period.

(f) An appointment of a proxy is revocable by the proxy.

(g) The death of the director appointing a proxy does not affect the right of the mutual benefit corporation to accept the proxy's authority unless notice of the death is received by the secretary or other officer or agent authorized to tabulate votes before the proxy exercises the proxy's authority under the appointment.

(h) The incapacity of the director appointing a proxy does not affect the right of the mutual benefit corporation to accept the proxy's authority.

(i) Subject to any express limitation on the proxy's authority appearing on the face of the appointment form, a mutual benefit corporation described in subsection (a) may accept the proxy's vote or other action as that of the director making the appointment.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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