

IC 23-1-34

Chapter 34. Meetings and Action of Board of Directors

IC 23-1-34-1

Meetings; method of conducting

Sec. 1. (a) The board of directors may hold regular or special meetings in or out of Indiana.

(b) Unless the articles of incorporation or bylaws provide otherwise, the board of directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

As added by P.L.149-1986, SEC.18.

IC 23-1-34-2

Action taken without a meeting; consent

Sec. 2. (a) Except to the extent that the articles of incorporation or bylaws require that action by the board of directors be taken at a meeting, action required or permitted by this article to be taken at a board of directors' meeting may be taken without a meeting if the action is taken by all members of the board. The action must be:

- (1) evidenced by one (1) or more written consents describing the action taken;
- (2) signed by each director;
- (3) included in the minutes or filed with the corporate records reflecting the action taken; and
- (4) delivered to the secretary.

(b) Action taken under this section is effective when the last director signs the consent, unless:

- (1) the consent specifies a different prior or subsequent effective date, in which case the consent is effective on that date; or
- (2) no effective date contemplated by subdivision (1) is designated and the action taken under this section is taken electronically as contemplated by IC 26-2-8. If action is taken as contemplated by IC 26-2-8, the effective date is determined in accordance with IC 26-2-8.

A director's consent may be withdrawn by a revocation signed by the director and delivered to the corporation before the delivery to the corporation of unrevoked written consents signed by all the directors.

(c) A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

(d) Action taken without a meeting is an organic action (as defined in IC 26-2-8-102(15)).

As added by P.L.149-1986, SEC.18. Amended by P.L.133-2009, SEC.26.

IC 23-1-34-3

Notice of meetings

Sec. 3. (a) Unless the articles of incorporation or bylaws provide otherwise, regular meetings of the board of directors may be held without notice of the date, time, place, or purpose of the meeting.

(b) Unless the articles of incorporation or bylaws provide for a longer or shorter period, special meetings of the board of directors must be preceded by at least two (2) days notice of the date, time, and place of the meeting. The notice need not describe the purpose of the special meeting unless required by the articles of incorporation or bylaws.

As added by P.L.149-1986, SEC.18.

IC 23-1-34-4

Waiver of notice

Sec. 4. (a) A director may waive any notice required by this article, the articles of incorporation, or bylaws before or after the date and time stated in the notice. Except as provided by subsection (b), the waiver must be in writing, signed by the director entitled to the notice, and filed with the minutes or corporate records.

(b) A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting (or promptly upon the director's arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

As added by P.L.149-1986, SEC.18.

IC 23-1-34-5

Quorum; assent to action taken

Sec. 5. (a) Unless the articles of incorporation or bylaws require a greater number, a quorum of a board of directors consists of:

- (1) a majority of the fixed number of directors if the corporation has a fixed board size; or
- (2) a majority of the number of directors prescribed, or if no number is prescribed, the number in office immediately before the meeting begins, if the corporation has a variable-range size board.

(b) The articles of incorporation or bylaws may authorize a quorum of a board of directors to consist of no fewer than one-third (1/3) of the fixed or prescribed number of directors determined under subsection (a).

(c) If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the board of directors unless the articles of incorporation or bylaws provide otherwise.

(d) A director who is present at a meeting of the board of directors or a committee of the board of directors when corporate action is taken is deemed to have assented to the action taken unless:

- (1) the director objects at the beginning of the meeting (or promptly upon the director's arrival) to holding it or transacting

business at the meeting;

(2) the director's dissent or abstention from the action taken is entered in the minutes of the meeting; or

(3) the director delivers written notice of the director's dissent or abstention to the presiding officer of the meeting before its adjournment or to the secretary of the corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

As added by P.L.149-1986, SEC.18.

IC 23-1-34-6

Committees

Sec. 6. (a) Unless the articles of incorporation or bylaws provide otherwise, a board of directors may create one (1) or more committees and appoint members of the board of directors to serve on them. Each committee may have one (1) or more members, who serve at the pleasure of the board of directors.

(b) The creation of a committee and appointment of members to it must be approved by the greater of:

(1) a majority of all the directors in office when the action is taken; or

(2) the number of directors required by the articles of incorporation or bylaws to take action under section 5 of this chapter.

(c) Sections 1 through 5 of this chapter, which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the board of directors, apply to committees and their members as well.

(d) To the extent specified by the board of directors or in the articles of incorporation or bylaws, each committee may exercise the authority of the board of directors under IC 23-1-33-1.

(e) A committee may not, however:

(1) authorize distributions, except a committee (or an executive officer of the corporation designated by the board of directors) may authorize or approve a reacquisition of shares or other distribution if done according to a formula or method, or within a range, prescribed by the board of directors;

(2) approve or propose to shareholders action that this article requires to be approved by shareholders;

(3) fill vacancies on the board of directors or on any of its committees;

(4) except to the extent permitted by subdivision (7), amend articles of incorporation under IC 23-1-38-2;

(5) adopt, amend, or repeal bylaws;

(6) approve a plan of merger not requiring shareholder approval; or

(7) authorize or approve the issuance or sale or a contract for sale of shares, or determine the designation and relative rights, preferences, and limitations of a class or series of shares, except

the board of directors may authorize a committee (or an executive officer of the corporation designated by the board of directors) to take the action described in this subdivision within limits prescribed by the board of directors.

(f) 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 IC 23-1-35-1.

As added by P.L.149-1986, SEC.18. Amended by P.L.107-1987, SEC.11.