

490.728 Voting for directors — cumulative voting.

1. Unless otherwise provided in the articles of incorporation, directors are elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present.

2. Shareholders do not have a 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] [a designated voting 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 or more candidates.

4. Shares otherwise entitled to vote cumulatively shall not be voted cumulatively at a particular meeting unless any of the following applies:

a. The meeting notice or proxy statement accompanying the notice states conspicuously that cumulative voting is authorized.

b. A shareholder who has the right to cumulate the shareholder’s votes gives notice to the corporation not less than forty-eight hours before the time set for the meeting of the shareholder’s intent to cumulate votes during the meeting, and if one shareholder gives this notice all other shareholders in the same voting group participating in the election are entitled to cumulate their votes without giving further notice.

89 Acts, ch 288, §68; 90 Acts, ch 1205, §25; 2002 Acts, ch 1154, §20, 125; 2013 Acts, ch 31, §18, 82; 2014 Acts, ch 1092, §104, 105; 2021 Acts, ch 165, §75, 230

Referred to in §490.704, 490.725, 490.1022