

1139

Sponsor(s): Representatives Sheahan, Constantine and Kenney

Brief Title: Removing a director of a nonprofit corporation from office.

HB 1139 - DIGEST

(DIGEST AS ENACTED)

Authorizes the superior court of the county where a corporation's principal office, or, if none in this state, its registered office, is located to remove a director of the corporation from office in a proceeding commenced by the corporation if the court finds that: (1) The director engaged in fraudulent or dishonest conduct with respect to the corporation; and

(2) removal is in the best interest of the corporation.

Authorizes the court that removes a director to bar the director from reelection for a period prescribed by the court.