

**§326. Board of directors**

Except as provided in this section and section 327, the management and operations of a financial institution organized under this chapter must be pursuant to Title 13-C, chapter 8. [PL 2003, c. 528, §1 (AMD).]

**1. Directors: number, election, qualifications and term.**

A. The number of directors on the board of a mutual financial institution may not be less than 5. [PL 2003, c. 528, §2 (AMD).]

B. The initial board of directors must be elected at the first meeting of the incorporators or the incorporators as provided for in section 323, and the board of directors must be elected by a vote of the incorporators or members at each annual meeting thereafter; except that the articles of incorporation or bylaws may provide for groups of directors in accordance with Title 13-C, section 806. [RR 2001, c. 2, Pt. B, §11 (COR); RR 2001, c. 2, Pt. B, §58 (AFF).]

C. Vacancies on the board occurring during the year may be filled by the board until the next annual meeting of the incorporators or members, who shall elect a director at such time to fill such position for the remainder of the term. Any vacancy that causes the number of directors to fall below the minimum required in paragraph A or in the institution's bylaws or articles of incorporation must be filled immediately. [PL 2003, c. 528, §3 (AMD).]

D. [PL 1997, c. 398, Pt. D, §14 (RP).]

E. The compensation of directors, which may include provision for payment of medical, surgical and hospital expenses due to accident or illness in the same manner as provided for officers and employees, may be fixed by the incorporators or members at any legal meeting thereof, or, subject to the written approval of the superintendent, such may be fixed by the board of directors. [PL 1975, c. 500, §1 (NEW).]

F. [PL 1977, c. 379 (RP).]

G. The superintendent has the power to comment upon the sociological composition, as defined in section 131, of the board of directors of any mutual or cooperative financial institution. This comment may be made in the form and manner the superintendent considers appropriate. [PL 1997, c. 398, Pt. D, §15 (AMD).]

[PL 2003, c. 528, §§2,3 (AMD).]

**2. Meetings of the directors.**

A. The directors shall hold at least 6 meetings each year, at least quarterly, at a time fixed in the bylaws. In any month in which the directors do not meet, the executive committee shall meet and a record of the meeting of the executive committee shall be ratified at the next board meeting. [PL 1983, c. 63, §2 (RPR).]

B. A quorum at any meeting shall consist of not less than a majority of the board, but less than a quorum shall have power to adjourn from time to time until the next duly called meeting. [PL 1975, c. 500, §1 (NEW).]

C. Full and complete records of all meetings of the board shall be kept and maintained. [PL 1975, c. 500, §1 (NEW).]

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**3. Powers and duties of the board.**

A. The board of directors may exercise any and all powers of an institution not expressly reserved to the incorporators or members by this Title or by the institution's articles or bylaws. [PL 1975, c. 500, §1 (NEW).]

B. The directors shall see that all funds of the institution are invested only in accordance with the sections of this Title governing the type of institutions of which they are directors. [PL 1975, c. 500, §1 (NEW).]

C. The board of directors may, in its discretion and so far as is consistent with its duties, appoint an executive committee from its members, such committee to conduct the business of the institution between meetings of the board; provided that all transactions of such executive committee shall be reported to the directors at their next meeting and incorporated into the records of such meetings. [PL 1975, c. 500, §1 (NEW).]

D. The board may employ, or authorize any officer to employ, any persons necessary to conduct the business of the institution. [PL 1975, c. 500, §1 (NEW).]

E. Bylaws not inconsistent with this Title governing the management and operations of the institution may be adopted by the board of directors consistent with the provisions of section 325, subsection 5; provided that a copy of such and any amendments thereto shall be submitted by the institution to the superintendent, and shall become effective 10 days after such submission unless the superintendent shall indicate otherwise to the institution. [PL 1975, c. 500, §1 (NEW).]

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#### SECTION HISTORY

PL 1975, c. 500, §1 (NEW). PL 1975, c. 666, §§15-A,16 (AMD). PL 1977, c. 379 (AMD). PL 1983, c. 63, §2 (AMD). PL 1997, c. 398, §§D13-15 (AMD). RR 2001, c. 2, §§B10,11 (COR). RR 2001, c. 2, §B58 (AFF). PL 2003, c. 528, §§1-3 (AMD).

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