

**40-305. Directors; numbers; election; oath.** The affairs of any such insurance company, now existing or hereafter organized under the laws of this state, shall be managed by a board of directors. The board of directors shall consist of one or more members, the number of which shall be fixed by the bylaws, unless the articles of incorporation establish the number of directors, in which case a change in the number of directors shall be made only by amendment of the articles.

The directors shall be elected by ballot, and each full-paid share of stock shall be entitled to one vote. Shares may be voted by proxy, signed by the person legally entitled to vote the same. Each stockholder shall have the right to cast as many votes in the aggregate as shall equal the number of shares of stock held by him, multiplied by the number of directors to be elected, and each stockholder may cast the whole number of votes for one candidate, or may divide his votes among two or more candidates. A majority of the total number of directors shall constitute a quorum for the transaction of business, unless the articles of incorporation or the bylaws require a greater number.

**History:** L. 1927, ch. 231, 40-305; L. 1971, ch. 164, § 1; L. 1997, ch. 102, § 1; L. 2005, ch. 41, § 1; July 1.