

AN ACT

ENTITLED, An Act to reduce the minimum number of board members of trust companies.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 51A-6A-13 be amended to read as follows:

51A-6A-13. The business of any trust company shall be managed and controlled by its governing board and includes the authority to provide for bonus payments, in addition to ordinary compensation, for any of its officers and employees. The governing board shall consist of not less than three nor more than twelve members, all of whom shall be elected by the owners of the trust company at any regular annual meeting that is held during the first one hundred twenty days of each calendar year. If the number of board members elected is less than twelve, the number of board members may be increased so long as the total number does not exceed twelve. If the number is increased, the first additional board members may be elected at a special meeting of the owners. The board members shall be elected and any vacancies filled in the manner as provided in the provisions regarding general corporations or limited liability companies, as applicable. At all times one of the directors shall be a resident of this state and at least two-thirds of the directors shall be citizens of the United States. Any board member of any trust company who becomes indebted to the trust company on any judgment shall forfeit the position of board member, and the vacancy shall be filled as provided by law.

An Act to reduce the minimum number of board members of trust companies.

I certify that the attached Act
originated in the

HOUSE as Bill No. 1257

Chief Clerk

Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1257

File No. _____

Chapter No. _____

Received at this Executive Office
this ____ day of _____ ,

20__ at _____ M.

By _____
for the Governor

The attached Act is hereby
approved this _____ day of
_____, A.D., 20__

Governor

STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 20__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State