

1 SENATE BILL NO. 167
2 INTRODUCED BY S. FITZPATRICK

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATING TO RESIGNATIONS OF
5 DIRECTORS OF NONPROFIT CORPORATIONS; ALLOWING A DIRECTOR TO RESCIND A RESIGNATION;
6 AND AMENDING SECTION 35-2-420, MCA."

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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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10 **Section 1.** Section 35-2-420, MCA, is amended to read:

11 **"35-2-420. Resignation of directors.** (1)(a) A director may resign at any time by delivering written
12 notice to the board of directors, its presiding officer, the president, or the secretary.

13 (b) A director may rescind a resignation within 5 BUSINESS days of resigning unless prohibited by
14 the bylaws of the corporation or the articles of incorporation. The director's recission of a resignation must be in
15 writing and delivered to the members of the board of directors.

16 (2) A resignation is effective when the notice is effective unless the notice specifies a later effective
17 date or the director rescinds the resignation under subsection (1)(b). If a resignation is made effective at a later
18 date, the board may fill the pending vacancy before the effective date if the board provides that the successor
19 does not take office until the effective date."

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