

IC 28-13-12

Chapter 12. Officers Generally

IC 28-13-12-1

Officers; designation; terms; highest acting officer; dual officeholding

Sec. 1. (a) The officers of a corporation must consist of the following:

(1) A president and, if the president is not the highest acting officer of the corporation, another officer designated by the directors, regardless of the title of that officer, whose duties are equivalent to those customarily performed by the highest acting officer.

(2) One (1) or more officers whose duties are equivalent to those customarily performed by a chief financial officer.

(3) An officer whose duties include preparing minutes of the directors' and shareholders' meetings, authenticating records of the corporation, and other duties customarily performed by a secretary.

(4) Any other officers prescribed by the articles of incorporation or the bylaws.

(b) Each of the officers shall be chosen by the board of directors at the time, in the manner, and for the terms as prescribed in the corporation's articles of incorporation or bylaws.

(c) If not already a director, the officer described in subsection (a)(1) who is the highest acting officer of the corporation shall become a director in accordance with the corporation's articles of incorporation or bylaws as soon as practicable after being chosen to serve in that office.

(d) If the articles of incorporation or the bylaws so provide, two (2) or more offices may be held by the same person, except that the duties of an officer described in subsection (a)(1) and an officer described in subsection (a)(2) may not be performed by the same person.

As added by P.L.14-1992, SEC.163. Amended by P.L.1-1993, SEC.212; P.L.216-2013, SEC.66.

IC 28-13-12-2

Powers and duties

Sec. 2. Each officer has the authority and shall perform the duties set forth in the bylaws or, to the extent consistent with the bylaws, the duties prescribed by the board of directors or by direction of an officer authorized by the board of directors to prescribe the duties of other officers.

As added by P.L.14-1992, SEC.163.

IC 28-13-12-3

Resignation of officer; notice; effective date; removal of officer;

replacement of chief executive officer

Sec. 3. (a) An officer may resign at any time by delivering notice:

- (1) to the board of directors, its chairman, or the secretary of the corporation; or
- (2) if the articles of incorporation or bylaws so provide, to another designated officer.

(b) A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the corporation accepts the future effective date, the corporation's board of directors may fill the pending vacancy before the effective date if the board of directors provides that the successor does not take office until the effective date.

(c) A board of directors may remove any officer at any time with or without cause.

(d) An officer who appoints another officer or assistant officer may remove the appointed officer or assistant officer at any time with or without cause.

(e) If a corporation replaces the chief executive officer of the corporation, the corporation shall give the department written notice of the replacement not later than thirty (30) days after the chief executive officer is replaced.

As added by P.L.14-1992, SEC.163. Amended by P.L.35-2010, SEC.204.

IC 28-13-12-4

Contract rights; effect of election, appointment, or removal

Sec. 4. (a) The election or appointment of an officer does not create contract rights.

(b) An officer's removal does not affect the officer's contract rights, if any, with the corporation. An officer's resignation does not affect the corporation's contract rights, if any, with the officer.

As added by P.L.14-1992, SEC.163.

IC 28-13-12-5

Adequate fiduciary coverage required

Sec. 5. (a) Every corporation shall make provision for adequate fidelity coverage for all officers and employees having access to money or bonds of the corporation. The amount and form of fidelity coverage must be approved annually by the board of directors of the corporation. Coverage may be provided:

- (1) in the form of a blanket fidelity bond issued by a corporate surety authorized to transact business in Indiana; or
- (2) through the establishment of a separate reserve fund within the corporation for that purpose.

(b) If the corporation is a corporate fiduciary (as defined in IC 28-1-1-3), the corporation shall make provision for adequate fiduciary errors and omissions insurance coverage.

*As added by P.L.14-1992, SEC.163. Amended by P.L.262-1995,
SEC.89.*