

272A.12-050 Voluntary dissolution by board of directors and members.

- (1) Except as otherwise provided in KRS 272A.12-040, for a limited cooperative association to voluntarily dissolve:
 - (a) A resolution to dissolve shall be approved by a majority vote of the board of directors unless a greater percentage is required by the organic rules;
 - (b) The board of directors shall call a members meeting to consider the resolution, to be held not later than ninety (90) days after adoption of the resolution; and
 - (c) The board of directors shall mail or otherwise transmit or deliver to each member in a record that complies with KRS 272A.5-070:
 1. The resolution required by paragraph (a) of this subsection;
 2. A recommendation that the members vote in favor of the resolution or, if the board determines that because of conflict of interest or other special circumstances it should not make a favorable recommendation, the basis of that determination; and
 3. Notice of the members meeting, which shall be given in the same manner as notice of a special meeting of members.
- (2) Subject to subsection (3) of this section, a resolution to dissolve shall be approved by:
 - (a) At least two-thirds (2/3) of the voting power of members present at a members meeting called under subsection (1)(b) of this section; and
 - (b) If the limited cooperative association has investor members, at least a majority of the votes cast by patron members, unless the organic rules require a greater percentage.
- (3) The organic rules may require that the percentage of votes under subsection (2)(b) of this section is:
 - (a) A different percentage that is not less than a majority of members voting at the meeting; or
 - (b) Measured against the voting power of all members; or
 - (c) A combination of paragraphs (a) and (b) of this subsection.

Effective: July 12, 2012

History: Created 2012 Ky. Acts ch. 160, sec. 92, effective July 12, 2012.