

1 AN ACT in relation to banking.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Illinois Banking Act is amended by  
5 changing Section 16.1 as follows:

6 (205 ILCS 5/16.1) (from Ch. 17, par. 323.1)

7 Sec. 16.1. Removal of directors. One or more of the  
8 directors may be removed, with or without cause, at a meeting  
9 of shareholders by the affirmative vote of the holders of a  
10 majority of the outstanding shares then entitled to vote at  
11 an election of directors, except as follows:

12 (1) No director shall be removed at a meeting of  
13 shareholders unless the notice of the meeting shall state  
14 that a purpose of the meeting is to vote upon the removal  
15 of one or more directors named in the notice. Only the  
16 named director or directors may be removed at that  
17 meeting.

18 (2) In the case of a bank having cumulative voting,  
19 if less than the entire board is to be removed, no  
20 director may be removed if the votes cast against his or  
21 her removal would be sufficient to elect him or her if  
22 then cumulatively voted at an election of the entire  
23 board of directors.

24 (3) If a director is elected by a class or series  
25 of shares, he or she may be removed only by the  
26 shareholders of that class or series.

27 (4) In the case of a State bank whose board is  
28 classified as provided in paragraph (3) of Section 16 of  
29 this Act, the charter or the by-laws may provide that  
30 directors may be removed only for cause.

31 (Source: P.A. 92-483, eff. 8-23-01.)