

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2212**

Introduced by

Senators Casper, Campbell, Kreun

Representatives Kasper, Sanford, P. Anderson

1 A BILL for an Act to amend and reenact subsection 4 of section 6-03-02 and section 6-05-06 of
2 the North Dakota Century Code, relating to residency requirements of bank directors.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Subsection 4 of section 6-03-02 of the North Dakota Century
5 Code is amended and reenacted as follows:

6 4. Elect or appoint directors, such board to consist of any number of members, not less
7 than three nor more than twenty-five, ~~a majority~~at least two-thirds of whom must be
8 ~~residents~~citizens of the ~~state of North Dakota~~ United States, and, by such board of
9 directors, to appoint a president, who must be a member of said board, and such other
10 employees as may be required, to define their duties, to require bonds of them and fix
11 the penalty thereof, and to dismiss such officers and employees, or any of them, and
12 appoint others to fill their places.

13 **SECTION 2. AMENDMENT.** Section 6-05-06 of the North Dakota Century Code is amended
14 and reenacted as follows:

15 **6-05-06. Directors - Qualifications - Terms - Vacancies.**

16 All the corporate powers of such a corporation must be exercised by a board of directors of
17 not less than three nor more than twenty-five in number, and such officers and agents as it
18 elects or appoints. ~~A majority~~At least two-thirds of the directors must be citizens of ~~this state~~the
19 United States. Any director who becomes in any manner disqualified shall vacate that director's
20 office thereupon. Every director, when elected or appointed, shall take the oath specified in
21 section 6-03-04. Such oath, subscribed by the director making it and certified by the officer
22 before whom it was taken, must be transmitted at once to the commissioner to be filed in the
23 commissioner's office. The articles of incorporation must state the names and residences of the
24 first board of directors, of whom the first named one-third shall serve for a period of three years,

1 the second one-third named for a period of two years, and the balance thereof shall serve for a
2 period of one year from the date fixed for the commencement of such corporation. In case any
3 of the persons so named shall fail or refuse to qualify from any cause, the directors who qualify
4 must elect qualified persons to fill such vacancies, and thereafter, at each annual meeting of the
5 stockholders, directors must be elected to serve three years in place of those whose terms then
6 expire.