

1 AN ACT concerning business.

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

4 Section 5. The General Not For Profit Corporation Act of  
5 1986 is amended by changing Sections 107.10, 108.45, and 108.60  
6 as follows:

7 (805 ILCS 105/107.10) (from Ch. 32, par. 107.10)

8 Sec. 107.10. Informal action by members entitled to vote.

9 (a) Unless otherwise provided in the articles of  
10 incorporation or the bylaws, any action required by this Act to  
11 be taken at any annual or special meeting of the members  
12 entitled to vote, or any other action which may be taken at a  
13 meeting of the members entitled to vote, may be taken by ballot  
14 without a meeting in writing by mail, e-mail, or any other  
15 electronic means pursuant to which the members entitled to vote  
16 thereon are given the opportunity to vote for or against the  
17 proposed action, and the action receives approval by a majority  
18 of the members casting votes, or such larger number as may be  
19 required by the Act, the articles of incorporation, or the  
20 bylaws, provided that the number of members casting votes would  
21 constitute a quorum if such action had been taken at a meeting.  
22 Voting must remain open for not less than 5 days from the date  
23 the ballot is delivered; provided, however, in the case of a

1 removal of one or more directors, a merger, consolidation,  
2 dissolution or sale, lease or exchange of assets, the voting  
3 must remain open for not less than 20 days from the date the  
4 ballot is delivered.

5 (b) Such informal action by members shall become effective  
6 only if, at least 5 days prior to the effective date of such  
7 informal action, a notice in writing of the proposed action is  
8 delivered to all of the members entitled to vote with respect  
9 to the subject matter thereof.

10 (c) In the event that the action which is approved is such  
11 as would have required the filing of a certificate under any  
12 other Section of this Act if such action had been voted on by  
13 the members at a meeting thereof, the certificate filed under  
14 such other Section shall state, in lieu of any statement  
15 required by such Section concerning any vote of members, that  
16 an informal vote has been conducted in accordance with the  
17 provisions of this Section and that written notice has been  
18 delivered as provided in this Section.

19 (d) In addition, unless otherwise provided in the articles  
20 of incorporation or the bylaws, any action required by this Act  
21 to be taken at any annual or special meeting of the members  
22 entitled to vote, or any other action which may be taken at a  
23 meeting of members entitled to vote, may also be taken without  
24 a meeting and without a vote if a consent in writing, setting  
25 forth the action so taken, shall be approved by all the members  
26 entitled to vote with respect to the subject matter thereof.

1 (Source: P.A. 96-649, eff. 1-1-10.)

2 (805 ILCS 105/108.45) (from Ch. 32, par. 108.45)

3 Sec. 108.45. Informal action by directors.

4 (a) Unless specifically prohibited by the articles of  
5 incorporation or bylaws, any action required by this Act to be  
6 taken at a meeting of the board of directors of a corporation,  
7 or any other action which may be taken at a meeting of the  
8 board of directors or a committee thereof, may be taken without  
9 a meeting if a consent in writing, setting forth the action so  
10 taken, shall be approved in writing ~~signed~~ by all of the  
11 directors and all of any nondirector committee members entitled  
12 to vote with respect to the subject matter thereof, or by all  
13 the members of such committee, as the case may be.

14 (b) The consent shall be evidenced by one or more written  
15 approvals, each of which sets forth the action taken and  
16 provides a written record of approval. All the approvals  
17 evidencing the consent shall be delivered to the secretary to  
18 be filed in the corporate records. The action taken shall be  
19 effective when all the directors or the committee members, as  
20 the case may be, have approved the consent unless the consent  
21 specifies a different effective date.

22 (c) Any such consent approved in writing ~~signed~~ by all the  
23 directors or all the committee members, as the case may be,  
24 shall have the same effect as a unanimous vote and may be  
25 stated as such in any document filed with the Secretary of

1 State under this Act.

2 (Source: P.A. 96-649, eff. 1-1-10.)

3 (805 ILCS 105/108.60) (from Ch. 32, par. 108.60)

4 Sec. 108.60. Director conflict of interest.

5 (a) If a transaction is fair to a corporation at the time  
6 it is authorized, approved, or ratified, the fact that a  
7 director of the corporation is directly or indirectly a party  
8 to the transaction is not grounds for invalidating the  
9 transaction.

10 (b) In a proceeding contesting the validity of a  
11 transaction described in subsection (a), the person asserting  
12 validity has the burden of proving fairness unless:

13 (1) The material facts of the transaction and the  
14 director's interest or relationship were disclosed or  
15 known to the board of directors or a committee consisting  
16 entirely of directors and the board or committee  
17 authorized, approved or ratified the transaction by the  
18 affirmative votes of a majority of disinterested  
19 directors, even though the disinterested directors be less  
20 than a quorum; or

21 (2) The material facts of the transaction and the  
22 director's interest or relationship were disclosed or  
23 known to the members entitled to vote, if any, and they  
24 authorized, approved or ratified the transaction without  
25 counting the vote of any member who is an interested

1 director.

2 (c) The presence of the director, who is directly or  
3 indirectly a party to the transaction described in subsection  
4 (a), or a director who is otherwise not disinterested, may be  
5 counted in determining whether a quorum is present but may not  
6 be counted when the board of directors or a committee of the  
7 board takes action on the transaction.

8 (d) For purposes of this Section, a director is  
9 "indirectly" a party to a transaction if the other party to the  
10 transaction is an entity in which the director has a material  
11 financial interest or of which the director is an officer,  
12 director or general partner; except that if a director is an  
13 officer or director of both parties to a transaction involving  
14 a grant or contribution, without consideration, from one entity  
15 to the other, that director is not "indirectly" a party to the  
16 transaction provided the director does not have a material  
17 financial interest in the entity that receives the grant or  
18 contribution.

19 (e) (Blank). ~~The provisions of this Section do not apply~~  
20 ~~where a director of the corporation is directly or indirectly a~~  
21 ~~party to a transaction involving a grant or contribution,~~  
22 ~~without consideration, by one organization to another.~~

23 (Source: P.A. 96-649, eff. 1-1-10.)

24 Section 99. Effective date. This Act takes effect upon  
25 becoming law.