

AN ACT concerning business.

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

Section 5. The Business Corporation Act of 1983 is amended by changing Section 2.35 as follows:

(805 ILCS 5/2.35) (from Ch. 32, par. 2.35)

Sec. 2.35. Meetings of the board of directors of a residential cooperative corporation ~~containing 24 or more units~~ shall be open to any residential shareholder, except for the portion of any meeting held (i) to discuss litigation when an action against or on behalf of the corporation has been filed and is pending in a court or administrative tribunal, or when the board of directors finds that such an action is probable or imminent, (ii) to consider information regarding appointment, employment or dismissal of an employee, or (iii) to discuss violations of rules and regulations of the corporation by a residential shareholder. Any residential shareholder may record by tape, film or other means the proceedings at such meetings or portions thereof required to be open by this Section. The board may prescribe reasonable rules and regulations to govern the right to make such recordings. Notice of such meetings shall be mailed or delivered at least 48 hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice pursuant to the articles of incorporation, bylaws, or other instrument before the meeting is convened. Copies of notices of meetings of the board of directors shall be posted in entranceways, elevators, or other conspicuous places in the residential cooperative at least 48 hours prior to the meeting of the board of directors. If there is no common entranceway for 7 or more apartments, the board of directors may designate one or more locations in the proximity of such units where the

notices of meetings shall be posted. For purposes of this Section, "meeting of the board of directors" means any gathering of a quorum of the members of the board of directors of the residential cooperative held for the purpose of discussing business of the cooperative. The provisions of this Section shall apply to any residential cooperative ~~containing 24 or more units~~ situated in the State of Illinois regardless of where such cooperative may be incorporated.

(Source: P.A. 92-638, eff. 1-1-03.)

Section 10. The General Not For Profit Corporation Act of 1986 is amended by changing Section 108.21 as follows:

(805 ILCS 105/108.21) (from Ch. 32, par. 108.21)

Sec. 108.21. Meetings of the board of directors of a not-for-profit homeowners association or residential cooperative not-for-profit corporation ~~containing 24 or more units~~ shall be open to any member, except for the portion of any meeting held (i) to discuss litigation when an action against or on behalf of the corporation has been filed and is pending in a court or administrative tribunal, or when the board of directors finds that such an action is probable or imminent, (ii) to consider information regarding appointment, employment or dismissal of an employee, or (iii) to discuss violations of rules and regulations of the corporation ~~by a residential shareholder~~. Any member may record by tape, film or other means the proceedings at such meetings or portions thereof required to be open by this Section. The board may prescribe reasonable rules and regulations to govern the right to make such recordings. Notice of such meetings shall be mailed or delivered at least 48 hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice pursuant to the articles of incorporation, bylaws, other instrument before the meeting is convened. Copies of notices of meetings of the board of directors shall be posted in entranceways, elevators, or other

conspicuous places ~~in the residential cooperative~~ at least 48 hours prior to the meeting of the board of directors. If there is no common entranceway for 7 or more units ~~apartments~~, the board of directors may designate one or more locations in the proximity of such units where the notices of meetings shall be posted. For purposes of this Section, "meeting of the board of directors" means any gathering of a quorum of the members of the board of directors ~~of the residential cooperative~~ held for the purpose of discussing business of the homeowners association or cooperative. The provisions of this Section shall apply to any homeowners association or residential cooperative ~~containing 24 or more units~~ situated in the State of Illinois regardless of where it ~~such cooperative~~ may be incorporated.

(Source: P.A. 91-465, eff. 8-6-99; 92-638, eff. 1-1-03.)

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