

62C.07 DIRECTORS; MANAGEMENT.

Subdivision 1. **Authority and composition.** The articles of incorporation or the bylaws of a service plan corporation shall provide that the authority and responsibility for election of officers and proper and lawful operation of the corporation shall be in a board of not less than 12 directors with powers and authority as necessary for or instrumental to complete execution of the purposes of the corporation as provided by law, its articles and bylaws. The number of directors shall be fixed by the articles or bylaws.

Subd. 2. **Selection.** The directors shall be selected in accordance with the bylaws and at least one-third shall be individuals who are not practicing or engaged in providing health services, and who before their retirement did not practice or engage in providing health services, are not spouses of such persons, and are not employed by or directors of a provider.

History: 1971 c 568 s 7