

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 7.40 as follows:

(805 ILCS 5/7.40) (from Ch. 32, par. 7.40)

Sec. 7.40. Voting of shares.

(a) Subject to subsections (b), (c), and (d) of this Section 7.40, each outstanding share, regardless of class, shall be entitled to one vote in each matter submitted to a vote at a meeting of shareholders, and except as specifically provided in Section 8.30, in all elections for directors, every shareholder shall have the right to vote the number of shares owned by such shareholder for as many persons as there are directors to be elected, or to cumulate such votes and give one candidate as many votes as shall equal the number of directors multiplied by the number of such shares or to distribute such cumulative votes in any proportion among any number of candidates. A shareholder may vote either in person or by proxy subject to the provisions of Section 7.50.

(b) The articles of incorporation of any corporation ~~incorporated after December 31, 1981,~~ may limit or eliminate cumulative voting rights in all or specified circumstances, or

may limit or deny voting rights or may provide special voting rights as to any class or classes or series of shares of such corporation.

(c) A corporation, whenever incorporated, may amend its articles of incorporation to limit or eliminate cumulative voting rights in all or specified circumstances, or to limit or deny voting rights or to provide special voting rights as to any class or classes or series of shares of such corporation.

(d) If the articles of incorporation provide for more or less than one vote for any share on any matter, every reference in this Act to a majority or other proportion greater than a majority of shares shall refer to that majority or other proportion greater than a majority of the votes of the shares.

(Source: P.A. 89-48, eff. 6-23-95.)