§ 55-8-25. Committees.

(a) Unless this Chapter, the articles of incorporation, or the bylaws provide otherwise, a board of directors may create one or more committees and appoint one or more members of the board of directors to serve on the committee. Unless otherwise provided in the articles of incorporation, the bylaws, or the resolution of the board of directors designating the committee, a committee, by action of a majority of its members then in office when the action is taken, may create one or more subcommittees consisting of one or more members of the committee and delegate to the one or more subcommittees any or all of the powers and authority of the committee.

(b) Unless this Chapter provides otherwise, the creation of a committee and appointment of members to it shall be approved by the greater of either of the following:

(1) A majority of all the directors in office when the action is taken.

(2) The number of directors required by the articles of incorporation or bylaws to take action under G.S. 55-8-24.

(b1) The creation and appointment of a committee pursuant to G.S. 55-7-44(b)(2) may be approved in the manner set forth in G.S. 55-7-44(b)(2).

(c) G.S. 55-8-20 through G.S. 55-8-24 apply both to committees and subcommittees of the board of directors and to their members.

(d) To the extent specified by the board of directors or in the articles of incorporation or bylaws, each committee may exercise the authority of the board of directors under G.S. 55-8-01.

(e) A committee shall not, however, do any of the following:

(1) Authorize or approve distributions, except according to a formula or method, or within limits, prescribed by the board of directors.

(2) Approve or propose to shareholders action that this Chapter requires be approved by shareholders.

(3) Fill vacancies on the board of directors or on any of its committees.

(4) Repealed by Session Laws 2025-33, s. 6, effective June 30, 2025.

(5) Adopt, amend, or repeal bylaws.

(6) Approve a plan of merger not requiring shareholder approval.

(f) The creation of, delegation of authority to, or action by a committee or subcommittee does not alone constitute compliance by a director with the standards of conduct described in G.S. 55-8-30.

(g) The board of directors may appoint one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, or a subcommittee of the committee, during the member's absence or disqualification. (1955, c. 1371, s. 1; 1969, c. 751, s. 13; 1973, c. 1087, ss. 1, 2; 1989, c. 265, s. 1; 2005-268, s. 10; 2007-385, s. 1; 2018-45, s. 9; 2025-33, s. 6.)