§ 7004. Classification of directors. 1. The board of directors of any bank or trust company, stock-form savings bank, or stock-form savings and loan association may be classified into three classes as nearly equal as may be, with the terms of office of one class expiring each year, and such corporations may make provisions for such classification in their by-laws.

2. In the case of corporations other than banks and trust companies, stock-form savings banks, and stock-form savings and loan associations:

(a) The organization certificate or the specific provisions of a by-law adopted by the stockholders may provide that the directors be divided into either two, three or four classes. All classes shall be as nearly equal in number as possible, and no class shall include less than three directors. The terms of office of the directors initially classified shall be as follows: that of the first class shall expire at the next annual meeting of stockholders, the second class at the second succeeding annual meeting, the third class, if any, at the third succeeding annual meeting, and the fourth class, if any, at the fourth succeeding annual meeting.

(b) At each annual meeting after such initial classification, directors to replace those whose terms expire at such annual meeting shall be elected to hold office until the second succeeding annual meeting if there are two classes, the third succeeding annual meeting if there are three classes, or the fourth succeeding annual meeting if there are four classes.

(c) If directors are classified and the number of directors is thereafter changed:

(1) Any newly created directorships or any decrease in directorships shall be so apportioned among the classes as to make all classes as nearly equal in number as possible.

(2) When the number of directors is increased by the board and any newly created directorships are filled by the board, there shall be no classification of the additional directors until the next annual meeting of stockholders.