

308B.465 LIMITATION OF DIRECTOR'S LIABILITY.

Subdivision 1. **Articles may limit liability.** A director's personal liability to the cooperative or members for monetary damages for breach of fiduciary duty as a director may be eliminated or limited in the articles or bylaws except as provided in subdivision 2.

Subd. 2. **Restrictions on liability limitation.** The articles or bylaws may not eliminate or limit the liability of a director:

- (1) for a breach of the director's duty of loyalty to the cooperative or its members;
- (2) for acts or omissions that are not in good faith or involve intentional misconduct or a knowing violation of law;
- (3) for knowing violations of securities laws or for illegal distributions;
- (4) for a transaction from which the director derived an improper personal benefit; or
- (5) for an act or omission occurring before the date when the provision in the articles or bylaws eliminating or limiting liability becomes effective.

History: 2003 c 105 art 1 s 35; 2006 c 196 art 1 s 52; art 2 s 9