



## ***Limited Liability of Directors and Officers State Statute 181.0855***

A director or officer is not liable to the corporation, its members or creditors, or any person asserting rights on behalf of the corporation, its members or creditors, or any other person, for damages, settlements, fees, fines, penalties or other monetary liabilities arising from a breach of, or failure to perform, any duty resulting solely from his or her status as a director or officer, unless the person asserting liability proves that the breach or failure to perform constitutes any of the following:

- (a) A willful failure to deal fairly with the corporation or its members in connection with a matter in which the director or officer has a material conflict of interest.
- (b) A violation of criminal law, unless the director or officer had reasonable cause to believe that his or her conduct was unlawful.
- (c) A transaction from which the director or officer derived an improper personal profit or benefit.

**Except** as provided in sub. (3), this section does not apply to any of the following:

- (a) A civil, criminal, administrative or investigatory proceeding brought by or on behalf of any governmental unit, authority or agency.
- (b) A proceeding brought by any person for a violation of state or federal law where the proceeding is brought pursuant to an express private right of action created by state or federal statute.
- (c) The liability of a director under state statutes 181.0832 and 181.0833

### **(3) GOVERNMENTAL ENTITY ACTING IN CAPACITY AS PRIVATE PARTY.**

Subsection (2) (a) and (b) does not apply to a proceeding brought by a governmental unit, authority or agency in its capacity as a private party or contractor.

Additional Statutes, same as Volunteers and including the following:

- 181.0832 Loans to directors and officers.
- 181.0833 Liability for unlawful distributions.



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