

273.248 Articles of incorporation -- Limitation of director liability.

The articles of incorporation of a nonprofit corporation subject to the provisions of KRS 273.161 to 273.387 may set forth:

- (1) A provision eliminating or limiting the personal liability of a director to the corporation for monetary damages for breach of his duties as a director, provided that such provision shall not eliminate or limit the liability of a director:
 - (a) For any transaction in which the director's personal financial interest is in conflict with the financial interests of the corporation;
 - (b) For acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law; or
 - (c) For any transaction from which the director derived an improper personal benefit.
- (2) No such provision shall eliminate or limit the liability of any director for any act or omissions occurring prior to the date when such provision becomes effective. In no case shall this subsection or any such provision be construed to expand the liability of any director as determined pursuant to KRS 273.215.

Effective: July 15, 1988

History: Created 1988 Ky. Acts ch. 224, sec. 11, effective July 15, 1988.