

§1823. Standard of conduct for officers

1. General rule. An officer of a benefit corporation shall consider the interests and factors described in section 1821, subsection 1 in the manner provided in section 1821, subsection 1 if:

A. The officer has discretion to act with respect to a matter; and [PL 2019, c. 328, §1 (NEW).]

B. It reasonably appears to the officer that the matter may have a material effect on the creation by the benefit corporation of general public benefit or a specific public benefit identified in the articles of incorporation of the benefit corporation. [PL 2019, c. 328, §1 (NEW).]

[PL 2019, c. 328, §1 (NEW).]

2. Coordination with other provisions of law. The consideration of interests and factors in the manner provided in subsection 1 does not constitute a violation of section 843.

[PL 2019, c. 328, §1 (NEW).]

3. Exoneration from personal liability. Except as provided in the articles of incorporation, an officer is not personally liable for monetary damages for:

A. An action or inaction as an officer in the course of performing the duties of an officer under subsection 1 if the officer performed the duties of the position in compliance with section 843 and this section; or [PL 2019, c. 328, §1 (NEW).]

B. Failure of the benefit corporation to pursue or create general public benefit or a specific public benefit. [PL 2019, c. 328, §1 (NEW).]

[PL 2019, c. 328, §1 (NEW).]

4. Limitation on standing. An officer does not have a duty to a person that is a beneficiary of general public benefit purpose or a specific public benefit purpose of a benefit corporation arising from the status of the person as a beneficiary.

[PL 2019, c. 328, §1 (NEW).]

5. Business judgments. An officer who makes a business judgment in good faith fulfills the duty under this section if the officer:

A. Is not interested in the subject of the business judgment; [PL 2019, c. 328, §1 (NEW).]

B. Is informed with respect to the subject of the business judgment to the extent the officer reasonably believes to be appropriate under the circumstances; and [PL 2019, c. 328, §1 (NEW).]

C. Rationally believes that the business judgment is in the best interests of the benefit corporation. [PL 2019, c. 328, §1 (NEW).]

[PL 2019, c. 328, §1 (NEW).]

SECTION HISTORY

PL 2019, c. 328, §1 (NEW).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the First Regular and First Special Session of the 131st Maine Legislature and is current through November 1, 2023. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.