

§843. Standards of conduct for officers

1. Basic standard of conduct. An officer, when performing in the capacity of an officer, has the duty to act:

A. In good faith; [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

B. With the care that a person in a like position would reasonably exercise under similar circumstances; and [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

C. In a manner the officer reasonably believes to be in the best interests of the corporation. [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
[PL 2007, c. 289, §19 (AMD).]

2. Basis for reliance.
[PL 2003, c. 631, §20 (RP).]

2-A. Basis for reliance. In discharging the duties under section 842, an officer who does not have knowledge that makes reliance unwarranted is entitled to rely on:

A. The performance of properly delegated responsibilities by one or more employees of the corporation whom the officer reasonably believes to be reliable and competent in performing the responsibilities delegated; and [PL 2003, c. 631, §21 (NEW).]

B. Information, opinions, reports or statements, including financial statements and other financial data, prepared or presented by:

(1) One or more employees of the corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or

(2) Legal counsel, public accountants or other persons retained by the corporation as to matters involving skills or expertise the officer reasonably believes are matters within the particular person's professional or expert competence or as to which the particular person merits confidence. [PL 2003, c. 631, §21 (NEW).]

[PL 2003, c. 631, §21 (NEW).]

3. Basis for potential liability. An officer is not liable to the corporation or its shareholders for any decision to take or not to take action, or any failure to take any action, as an officer if the duties of the office are performed in compliance with this section. Whether an officer who does not comply with this section has liability depends on applicable law, including those principles of section 832 that have relevance.

[PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

SECTION HISTORY

PL 2001, c. 640, §A2 (NEW). PL 2001, c. 640, §B7 (AFF). PL 2003, c. 631, §§20,21 (AMD).
PL 2007, c. 289, §19 (AMD).

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