

450.2541 Director or officer; discharge of duties; compliance; liability of volunteer director; action against director or officer for failure to perform duties.

Sec. 541. (1) A director or an officer shall discharge the duties of that position in good faith and with the degree of diligence, care, and skill that an ordinarily prudent person would exercise under similar circumstances in a like position. In discharging the duties, a director or an officer, when acting in good faith, may rely upon the opinion of counsel for the corporation, upon the report of an independent appraiser selected with reasonable care by the board, or upon financial statements of the corporation represented to the director or officer as correct by the president or the officer of the corporation who has charge of its books or account, or as stated in a written report by an independent public or certified public accountant or firm of accountants fairly to reflect the financial condition of the corporation.

(2) A director or officer of a corporation subject to the uniform prudent management of institutional funds act, shall be considered to be in compliance with this section if the director or officer complies with the uniform prudent management of institutional funds act in the administration of the powers specified in that act.

(3) If the corporation's articles of incorporation contain a provision authorized under section 209(c), a volunteer director of the corporation is only personally liable for monetary damages for a breach of fiduciary duty as a director to the corporation, its shareholders, or its members to the extent set forth in the provision.

(4) If the corporation's articles of incorporation contain a provision authorized under section 209(d), a claim for monetary damages for a breach of a volunteer director's duty to any person other than the corporation, its shareholders, or its members shall not be brought or maintained against the volunteer director. The claim shall be brought or maintained instead against the corporation, which shall be liable for any breach of the volunteer director's duty.

(5) An action against a director or officer for failure to perform the duties imposed by this section shall be commenced within 3 years after the cause of action has accrued, or within 2 years after the time when the cause of action is discovered, or should reasonably have been discovered, by the complainant, whichever occurs first.

History: 1982, Act 162, Eff. Jan. 1, 1983;"Am. 1987, Act 170, Eff. Jan. 1, 1988;"Am. 2009, Act 88, Imd. Eff. Sept. 10, 2009.