

383B.905 AUTHORITY AND DUTIES OF OFFICERS AND DIRECTORS; UNPAID OFFICERS AND DIRECTORS LIABILITY FOR DAMAGES.

Subdivision 1. **In bylaws or by board.** Officers and directors have the authority and duties in the management of the business of the corporation that the bylaws prescribe or, in the absence of such prescription, as the board determines.

Subd. 2. **Ordinary prudent person standard.** Officers and directors shall discharge their duties in good faith, in the manner the officer or director reasonably believes to be in the best interests of the corporation, and with the care an ordinary prudent person in a like position would exercise under similar circumstances.

Subd. 3. **Not trustees.** Officers and directors are not considered to be trustees with respect to the corporation or with respect to property held or administered by the corporation, including, without limit, property that may be subject to restrictions imposed by the donor or transferor of the property.

Subd. 3a. **Conflicts of interest.** Conflicts of interest involving directors, officers, or employees of the corporation must be evaluated and resolved under chapter 317A. Directors, officers, and employees of the corporation are not considered "public officers" for the purposes of sections 471.87 to 471.89. This subdivision does not apply to Hennepin County Commissioners who also serve on the board of Hennepin Healthcare System, Inc.

Subd. 4. **Liability.** A person who serves without compensation as a director or officer of the corporation is exempt from civil liability to the same extent as provided under section 317A.257 for the directors and officers listed in section 317A.257, subdivision 1.

History: 2005 c 125 art 1 s 5,29; 1Sp2005 c 7 s 34; 2006 c 266 s 2; 2007 c 34 s 1