304A.201 STANDARD OF CONDUCT FOR DIRECTORS.

Subdivision 1. **Considerations for a general benefit corporation.** In discharging the duties of the position of director of a general benefit corporation, a director:

(1) shall consider the effects of any proposed, contemplated, or actual conduct on:

(i) the general benefit corporation's ability to pursue general public benefit;

(ii) if the articles also state a specific public benefit purpose, the general benefit corporation's ability to pursue its specific public benefit; and

(iii) the interests of the constituencies stated in section 302A.251, subdivision 5, including the pecuniary interests of its shareholders; and

(2) may not give regular, presumptive, or permanent priority to:

(i) the pecuniary interests of the shareholders; or

(ii) any other interest or consideration unless the articles identify the interest or consideration as having priority.

Subd. 2. **Considerations for a specific benefit corporation.** In discharging the duties of the position of director of a specific benefit corporation, a director:

(1) shall consider the effects of any proposed, contemplated, or actual conduct on:

(i) the pecuniary interest of its shareholders; and

(ii) the specific benefit corporation's ability to pursue its specific public benefit purpose;

(2) may consider the interests of the constituencies stated in section 302A.251, subdivision 5; and

(3) may not give regular, presumptive, or permanent priority to:

(i) the pecuniary interests of the shareholders; or

(ii) any other interest or consideration unless the articles identify the interest or consideration as having priority.

Subd. 3. **Liability.** A director who performs the duties of a director stated in subdivisions 1 and 2 is not liable by reason of being or having been a director of a public benefit corporation.

Subd. 4. **Other applicable law.** The conduct and liability of a director of a public benefit corporation is subject to section 302A.251, subdivisions 1, 2, 3, and 4.

Subd. 5. **Duty of loyalty.** The articles of a public benefit corporation may include a provision that any disinterested failure to satisfy subdivision 1 or 2 of this section shall not, for purposes of this section or section 302A.251, subdivision 4, constitute a breach of the duty of loyalty.

History: *2014 c 172 s 8*