

HB 636 INTRODUCED BY WINSLOW  
IMMUNITY FOR DIRECTORS AND OFFICERS OF NONPROFIT  
CORPORATIONS

2/06 INTRODUCED  
2/06 REFERRED TO JUDICIARY  
2/17 HEARING  
2/20 TABLED IN COMMITTEE

1 House BILL NO. 636  
2 INTRODUCED BY Winters

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4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE, WITH  
5 CERTAIN EXCEPTIONS, IMMUNITY FROM SUIT FOR UNCOMPENSATED  
6 DIRECTORS, OFFICERS, TRUSTEES, AND MEMBERS OF NOT-FOR-PROFIT  
7 COOPERATIVES, CORPORATIONS, ASSOCIATIONS, OR ORGANIZATIONS;  
8 AMENDING SECTION 35-2-411, MCA; AND PROVIDING AN IMMEDIATE  
9 EFFECTIVE DATE."

10  
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 35-2-411, MCA, is amended to read:  
13 "35-2-411. Nonliability of directors, officers, and  
14 employees. (1) The directors, officers, and employees of the  
15 corporation shall not, as such, be liable on its  
16 obligations.

17 (2) An uncompensated director, officer, trustee, or  
18 member of a not-for-profit cooperative, corporation,  
19 association, or organization is immune from suit arising  
20 from the conduct of the affairs of the cooperative,  
21 corporation, association, or organization unless he  
22 willfully acts with intent to cause injury or damage. The  
23 immunity granted by this subsection does not apply to the  
24 liability of a not-for-profit cooperative, corporation,  
25 association, or organization."

1 NEW SECTION. Section 2. Effective date. This act is  
2 effective on passage and approval.

-End-

