

CHAPTER 208

Original Senate File No. 291

CORPORATE DIRECTORS' LIABILITY

AN ACT to amend W.S. 17-1-202 by creating a new subsection (c) relating to formation of corporations; authorizing articles of incorporation to permit the elimination of or limitation on the personal liability of a director to the corporation or its stockholders for monetary damages as specified; and providing for an effective date.

*Be It Enacted by the Legislature of the State of Wyoming:*

**Section 1.** W.S. 17-1-202 by creating a new subsection (c) is amended to read:

**17-1-202. Articles of incorporation.**

(c) In addition to subsection (a) of this section, the articles of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director subject to the following:

(i) The provision shall not eliminate or limit the liability of a director:

(A) For any breach of the director's duty of loyalty to the corporation or its stockholders;

(B) For acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;

(C) Under W.S. 17-1-141; or

(D) For any transaction from which the director derived an improper personal benefit.

(ii) The provision shall not eliminate or limit the liability of a director for any act or omission occurring prior to the effective date of the provision.

**Section 2.** This act is effective May 22, 1987.

Approved March 10, 1987.