

#### **504.304 Ultra vires.**

1. Except as provided in subsection 2, the validity of corporate action shall not be challenged on the ground that the corporation lacks or lacked power to act.
2. A corporation's power to act may be challenged in a proceeding against the corporation to enjoin an act when a third party has not acquired rights. The proceeding may be brought by the attorney general, a director, or by a member or members in a derivative proceeding.
3. A corporation's power to act may be challenged in a proceeding against an incumbent or former director, officer, employee, or agent of the corporation. The proceeding may be brought by a director, the corporation, directly, derivatively, or through a receiver, a trustee or other legal representative, or in the case of a public benefit corporation, by the attorney general.

2004 Acts, ch 1049, §27, 192; 2004 Acts, ch 1175, §384