

**490.143 Qualified director.**

1. For purposes of this chapter, a “*qualified director*” is a director who takes action under any of the following provisions, if at the time action is to be taken any of the following applies:

a. Under section 490.744, the director does not have any of the following:

- (1) A material interest in the outcome of the proceeding.
- (2) A material relationship with a person who has such an interest.

b. Under section 490.853 or 490.855, all of the following apply:

(1) The director is not a party to the proceeding.

(2) The director is not a director as to whom a transaction is a director’s conflicting interest transaction or who sought a disclaimer of the corporation’s interest in a business opportunity under section 490.870, which transaction or disclaimer is challenged in the proceeding.

(3) The director does not have a material relationship with a director described in either subparagraph (1) or (2).

c. Under section 490.862, the director is not any of the following:

(1) A director as to whom the transaction is a director’s conflicting interest transaction.

(2) A director who has a material relationship with another director as to whom the transaction is a director’s conflicting interest transaction.

d. Under section 490.870, the director would be a qualified director under paragraph “c”, if the business opportunity was a director’s conflicting interest transaction.

2. For purposes of this section, all of the following apply:

a. “*Material interest*” means an actual or potential benefit or detriment, other than one which would devolve on the corporation or the shareholders generally, that would reasonably be expected to impair the objectivity of the director’s judgment when participating in the action to be taken.

b. “*Material relationship*” means a familial, financial, professional, employment, or other relationship that would reasonably be expected to impair the objectivity of the director’s judgment when participating in the action to be taken.

3. The presence of one or more of the following circumstances shall not automatically prevent a director from being a qualified director:

a. Nomination or election of the director to the current board by any director who is not a qualified director with respect to the matter, or by any person that has a material relationship with that director, acting alone or participating with others.

b. Service as a director of another corporation of which a director who is not a qualified director with respect to the matter, or any individual who has a material relationship with that director, is or was also a director.

c. With respect to action to be taken under section 490.744, status as a named defendant, as a director against whom action is demanded, or as a director who approved the conduct being challenged.

2013 Acts, ch 31, §4, 82

Referred to in §490.140

[T] Section takes effect January 1, 2014; 2013 Acts, ch 31, §82

[T] NEW section