

490.746 Payment of expenses.

On termination of the derivative proceeding, the court may do any of the following:

1. Order the corporation to pay the plaintiff's expenses incurred in the proceeding if it finds that the proceeding has resulted in a substantial benefit to the corporation.
2. Order the plaintiff to pay any defendant's expenses incurred in defending the proceeding if it finds that the proceeding was commenced or maintained without reasonable cause or for an improper purpose.
3. Order a party to pay an opposing party's expenses incurred because of the filing of a pleading, motion, or other paper, if it finds that any of the following apply:
 - a. The pleading, motion, or other paper was not well grounded in fact, after reasonable inquiry, or warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law.
 - b. The pleading, motion, or other paper was interposed for an improper purpose, such as to harass or cause unnecessary delay or needless increase in the cost of litigation.

[2002 Acts, ch 1154, §29, 125](#); [2013 Acts, ch 31, §22, 82](#); [2021 Acts, ch 165, §84, 230](#)

Referred to in [§490.747](#)

2021 amendment effective January 1, 2022; 2021 Acts, ch 165, §230

Section stricken and rewritten