

16-10a-851 Judicial action.

- (1) A transaction effected or proposed to be effected by a corporation or by any entity controlled by the corporation that is not a director's conflicting interest transaction may not be enjoined, be set aside, or give rise to an award of damages or other sanctions, in a proceeding by a shareholder or by or in the right of the corporation, solely because a director, or any person with whom or which the director has a personal, economic, or other association, has an interest in the transaction.
- (2) A director's conflicting interest transaction may not be enjoined, be set aside, or give rise to an award of damages or other sanctions, in a proceeding by a shareholder or by or in the right of the corporation, solely because the director, or any person with whom or which the director has a personal, economic, or other association, has an interest in the transaction, if:
 - (a) directors' action respecting the transaction was at any time taken in compliance with Section 16-10a-852;
 - (b) shareholders' action respecting the transaction was at any time taken in compliance with Section 16-10a-853; or
 - (c) the transaction, judged according to the circumstances at the time of commitment, is established to have been fair to the corporation.

Enacted by Chapter 277, 1992 General Session