

16-10a-622 Liability of shareholders.

- (1) A purchaser from a corporation of shares issued by the corporation is not liable to the corporation or its creditors with respect to the shares except to pay or provide the consideration for which the issuance of the shares was authorized under Section 16-10a-621 or specified in the subscription agreement under Section 16-10a-620.
- (2) Unless otherwise provided in the articles of incorporation, a shareholder or subscriber for shares of a corporation is not personally liable for the acts or debts of the corporation solely by reason of the ownership of the corporation's shares.
- (3)
 - (a) A shareholder of a corporation, when acting solely in the capacity of a shareholder, has no fiduciary duty or other similar duty to any other shareholder of the corporation, including not having a duty of care, loyalty, or utmost good faith.
 - (b) This Subsection (3) applies to a corporation governed by this chapter, including a public corporation or a closely-held corporation.
 - (c) This Subsection (3) does not affect any of the following:
 - (i) liability of a shareholder who receives an improper dividend or distribution, as set forth in Section 16-10a-842;
 - (ii) liability for an act before incorporation, as set forth in Section 16-10a-204;
 - (iii) liability of a director or officer of a corporation for breach of a fiduciary duty or other similar duty to shareholders solely in the capacity as a director or officer, regardless of whether the director or officer is a shareholder of the corporation; or
 - (iv) liability of a director or officer of a corporation for an act, breach, or failure for which liability is set forth in:
 - (A) Section 16-10a-840;
 - (B) Section 16-10a-841; or
 - (C) Section 16-10a-842.

Amended by Chapter 44, 2010 General Session