

HOUSE No. 1168

By Mr. Scibelli of Springfield, petition of Anthony M. Scibelli relative to further limiting the liability of certain officers of charitable corporations. The Judiciary.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-Two.

AN ACT FURTHER LIMITING THE LIABILITY OF CERTAIN OFFICERS OF CHARITABLE CORPORATIONS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Section 3 of chapter 180 of the General Laws, is hereby amended
2 by inserting after the second paragraph, as appearing in the 1988
3 Official Edition, the following paragraph: —

4 Each director, officer or trustee, present or former, threatened
5 with or made a party to any action, suit, or other proceeding by
6 reason of the fact that he is or was such a director, officer, or
7 trustee, shall be indemnified by the corporation against all
8 liabilities and expenses, including counsel fees reasonably
9 incurred by him in connection therewith. The corporation shall
10 not, however, indemnify any such director, officer or trustee with
11 respect to matters as to which he shall be finally adjudged in any
12 such action, suit or proceeding not to have acted in good faith
13 in the reasonable belief that his action was in the best interest of
14 the corporation. Said right of indemnification shall not be
15 exclusive of other rights to which any such officer, director or
16 trustee may be entitled as a matter of law.

