

Cherokee Nation Code Annotated

Title 18: Corporations

Chapter 2: Cherokee Nation Limited Liability Company Act

Article 3: Relations of Managers to Persons Dealing with Limited Liability Company

§ 223. Member or manager—Limitation or elimination of liability—Indemnification

Cite as: 18 CNCA § 223

A. Subject to subsection (B) of this section, the articles of organization or operating agreement may:

1. Eliminate or limit the personal liability of a member or manager for monetary damages for breach of any duty provided for in 18 CNCA § 233; and
2. Provide for indemnification of a member or manager for judgments, settlements, penalties, fines or expenses incurred in any proceeding because he is or was a member or manager.

B. No provision permitted under subsection (A) of this section shall limit or eliminate the liability of a manager for:

1. Any breach of the manager's duty of loyalty to the limited liability company or its members;
2. Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or
3. Any transaction from which the manager derived an improper personal benefit.

C. The articles of organization or operating agreement may define the scope of any duties owed by the members or managers to the limited liability company, if not manifestly unreasonable. A definition shall not eliminate the duty of loyalty or the obligation of good faith and fair dealing.

Historical Data

LA 32–04, eff. July 16, 2004.