

**RCW 24.06.035 Nonprofit status—Members', officers' immunity from liability.** (1) A corporation subject to the provisions of this chapter shall not engage in any business, trade, a vocation or profession for profit: PROVIDED, That nothing contained herein shall be construed to forbid such a corporation from accumulating reserve, equity, surplus or other funds through subscriptions, fees, dues or assessments, or from charges made its members or other persons for services rendered or supplies or benefits furnished, or from distributing its surplus funds to its members, stockholders or other persons in accordance with the provisions of the articles of incorporation. A member of the board of directors or an officer of such a corporation shall have the same immunity from liability as is granted in RCW 4.24.264.

(2) Unless the articles of incorporation provide otherwise, a member of the board of directors or an officer of the corporation is not individually liable to the corporation or its shareholders or members in their capacity as shareholders or members for conduct within his or her official capacity as a director or officer after July 22, 2001, except for acts or omissions that involve intentional misconduct or a knowing violation of the law, or that involve a transaction from which the director or officer will personally receive a benefit in money, property, or services to which the director or officer is not legally entitled. Nothing in this subsection may be construed to limit or modify in any manner the power of the attorney general to bring an action on behalf of the public to enjoin, correct, or otherwise remedy a breach of a charitable trust by a corporation or its directors or officers. [2001 c 271 s 4; 1987 c 212 s 709; 1969 ex.s. c 120 s 7.]