

2-312.

(a) If it is established that the director's duties were not performed in compliance with § 2-405.1 of this title, a director who votes for or assents to a distribution made in violation of the charter or § 2-311 of this subtitle is personally liable to the corporation for the amount of the distribution that exceeds what could have been made without violating the charter or § 2-311 of this subtitle.

(b) A director held liable under subsection (a) of this section for an unlawful distribution is entitled to contribution:

(1) From every other director who could be held liable under subsection (a) of this section for the unlawful distribution; and

(2) From each stockholder for the amount the stockholder accepted knowing the distribution was made in violation of the charter or § 2-311 of this subtitle.

(c) A proceeding TO ENFORCE THE LIABILITY OF A DIRECTOR UNDER SUBSECTION (A) OF THIS SECTION may not begin [under this section] more than 3 years after the date on which the effect of the distribution was measured under § 2-311(c) or (e) of this subtitle.

(2) A PROCEEDING TO ENFORCE CONTRIBUTION UNDER SUBSECTION (B) OF THIS SECTION MAY NOT BEGIN MORE THAN 1 YEAR AFTER THE LIABILITY OF THE DIRECTOR CLAIMING CONTRIBUTION HAS BEEN ~~ESTABLISHED~~ FINALLY ADJUDICATED UNDER SUBSECTION (A) OF THIS SECTION.

(d) The liabilities imposed by this section are in addition to any other liability imposed by law on the directors of a corporation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1992.

Approved May 26, 1992.

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**CHAPTER 622**

**(House Bill 1412)**

AN ACT concerning

**Real Estate Investment Trusts - Trustees and Officers - Liability**

FOR the purpose of authorizing a declaration of trust of a real estate investment trust to alter the standard for imposing liability for damages on trustees and officers; providing certain restrictions on limiting the liability of trustees and officers; and generally relating to liability of trustees and officers of real estate investment trusts.

BY repealing and reenacting, with amendments,