

ACT No. 83

2015 Regular Session

HOUSE BILL NO. 666

BY REPRESENTATIVE REYNOLDS

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AN ACT

To amend and reenact R.S. 6:213(B), 291(D) and (E), 705(C)(2), 786(D), and 1191(C) and to enact R.S. 6:213(C), relative to banking regulations; to provide relative to articles of incorporation; to allow and restrict authorizing reversion of ownership interests; to allow and restrict limited liability; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 6:213(B), 291(D) and (E), 705(C)(2), 786(D), and 1191(C) are hereby amended and reenacted and R.S. 6:213(C) is hereby enacted to read as follows:

§213. Articles of incorporation, filing, form, content; letter of acceptance for filing

* * *

B.(1) Notwithstanding the provisions of R.S. 6:291, the articles of incorporation may contain other provisions for the regulation of the business and the conduct of the affairs of the state bank including any provision authorized by ~~R.S. 12:24(C)(3) or (4)~~ in Paragraphs (2) or (3) of this Subsection, but they shall not contain any provision which is in derogation of the provisions of this law or violates any other provision of the laws of this state or of the laws of the United States.

(2)(a) The articles of incorporation of a bank or bank holding company may contain a provision that any of the following not claimed by the entitled shareholder despite reasonable efforts by the corporation to pay dividends or redemption price or deliver certificates for shares to the shareholder shall revert in full ownership to the corporation:

- (i) Cash.
- (ii) Property or share dividends.

1 (iii) Shares issuable to shareholders in connection with a reclassification of
2 stock.

3 (iv) The redemption price of redeemed shares.

4 (b) An obligation of the corporation to pay the dividend or the redemption
5 price or issue the shares shall, in any event, exist for no less than one year after the
6 dividend or redemption price became payable or after the shares became issuable.

7 (c) The obligation of the corporation to pay the dividend or redemption price
8 or issue the shares shall thereupon cease, but the board of directors may, at any time
9 and for any reason satisfactory to the board, authorize either of the following:

10 (i) Payment of the amount of any cash, property dividend, or redemption
11 price, ownership of which has reverted to the corporation pursuant to a provision of
12 the articles authorized by this Section, to the entity who would be entitled thereto had
13 such reversion not occurred.

14 (ii) Issuance of any shares, ownership of which has reverted to the
15 corporation pursuant to a provision of the articles authorized by this Section, to the
16 entity who would be entitled thereto had such reversion not occurred.

17 (3)(a) The articles of incorporation of a bank or a bank holding company
18 may contain a provision eliminating or limiting the personal liability of a director or
19 officer to the corporation or its shareholders for monetary damages for breach of
20 fiduciary duty as a director or officer, provided that the provision shall not eliminate
21 or limit the liability of a director or officer for any of the following:

22 (i) A breach of a duty of loyalty, which is imposed on a director or officer,
23 to the bank, bank holding company, or its shareholders.

24 (ii) Acts or omissions not in good faith or involving intentional misconduct
25 or involving a knowing violation of law.

26 (iii) Liability incurred pursuant to R.S. 12:1-833.

27 (iv) Any transaction from which the director or officer derived an improper
28 personal benefit.

1 (2) Any other provision for the regulation of the business and conduct of the
 2 affairs of the corporation not prohibited by this Chapter or other laws of this state,
 3 including any provision authorized by ~~R.S. 12:24(C)(4)~~ R.S. 6:213(B)(3). The
 4 provisions of ~~R.S. 12:24(C)(4)~~ R.S. 6:213(B)(3) may be included in the articles of
 5 both mutual and stock associations.

6 * * *

7 §786. Relation and liability of directors and officers

8 * * *

9 D. The provisions of this Section shall not affect the right of incorporators
 10 or shareholders of financial institutions to include in articles of incorporation
 11 provisions as authorized by ~~R.S. 12:24(C)(4)~~ R.S. 6:213(B)(3) or R.S. 6:705.

12 * * *

13 §1191. Relation and liability of directors and officers

14 * * *

15 C. The provisions of this Section shall not affect the right of incorporators
 16 or shareholders of savings banks to include in articles of incorporation provisions as
 17 authorized by ~~R.S. 12:24(C)(4)~~ R.S. 6:213(B)(3).

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____