

2015 Regular Session

HOUSE BILL NO. 666

BY REPRESENTATIVE REYNOLDS

1 AN ACT

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

6 Be it enacted by the Legislature of Louisiana:

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

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

10 \* \* \*

11 B.(1) Notwithstanding the provisions of R.S. 6:291, the articles of  
12 incorporation may contain other provisions for the regulation of the business and the  
13 conduct of the affairs of the state bank including any provision authorized ~~by R.S.~~  
14 ~~12:24(C)(3) or (4)~~ in Paragraphs (2) or (3) of this Subsection, but they shall not  
15 contain any provision which is in derogation of the provisions of this law or violates  
16 any other provision of the laws of this state or of the laws of the United States.

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

22 (i) Cash.

23 (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.



