

PART IX. LIABILITY OF DIRECTORS, OFFICERS,
STOCKHOLDERS, AND SUBSCRIBERS

§291. Relation and liability of directors and officers to bank and bank holding company stockholders

A. Bank and bank holding company officers and directors shall be deemed to stand in a fiduciary relation to their bank or bank holding company and its stockholders and shall discharge the duties of their respective positions in good faith and with that diligence, care, judgment, and skill as provided in Subsection B of this Section. Nothing herein contained shall derogate from any indemnification authorized by R.S. 6:286.

B. A director or officer of a bank or bank holding company shall not be held personally liable to the corporation or the shareholders thereof for monetary damages unless the director or officer acted in a grossly negligent manner as defined in R.S. 6:2 or engaged in conduct which demonstrates a greater disregard of the duty of care than gross negligence, including intentional tortious conduct or intentional breach of his duty of loyalty.

C. A director of a bank or bank holding company shall, in the performance of his duties, be fully protected in relying in good faith upon the records of the bank or bank holding company, and upon such information, opinions, reports, or statements presented to him, the bank or bank holding company, the board of directors, or any committee thereof by any of the bank's or bank holding company's officers or employees, or by any committee of the board of directors, or by any counsel, appraiser, engineer, or independent or certified public accountant selected with reasonable care by the board of directors or any committee thereof or any officer having the authority to make such selection, or by any other person as to matters the director reasonably believes are within such other person's professional or expert competence and which person is selected with reasonable care by the board of directors or any committee thereof or any officer having the authority to make such selection.

D. The provisions of this Section shall not affect the right of incorporators or shareholders of banks or bank holding companies to include in articles of incorporation provisions as authorized by R.S. 12:24(C)(4) or R.S. 6:213(B)(1).

E. Notwithstanding any other law to the contrary, particularly but not exclusively R.S. 12:91, the provisions of this Section shall be the sole and exclusive law governing the relation and liability of directors and officers to their bank or holding company or to the shareholders thereof or to any other person or entity, except that the provisions of R.S. 12:92 shall remain applicable to directors and officers of bank holding companies.

F. Any person who unsuccessfully attempts to impose a higher standard of responsibility or liability than that provided by this Section may be liable for attorney fees incurred in the defense of such attempt and for damages.

Acts 1984, No. 719, §1, eff. Jan. 1, 1985; Acts 1992, No. 650, §1, eff. July 2, 1992; Acts 1997, No. 42, §3.