

TITLE 4: ECONOMIC RESOURCES
DIVISION 6: BANKING AND FINANCIAL INSTITUTIONS

§ 6211. Reimbursement of Officer, Director or Employee for Expenses in Defending Suits.

The bylaws of a Commonwealth bank may provide that it shall indemnify every officer, director or employee, and his or her heirs, executors and administrators, against judgments resulting from and the expenses reasonably incurred by that person in connection with any action based upon any alleged act or omission on his or her part as an officer, director or employee of the Commonwealth bank, including any action based upon any alleged act or omission on his or her part as an officer, director or employee of the Commonwealth bank, except in relation to matters as to which that person shall be finally adjudged in the action to be liable for negligence or misconduct, and except that, in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Commonwealth bank is advised by counsel that in the opinion of counsel the person to be indemnified was not liable for negligence or misconduct. The foregoing right of indemnification shall not be exclusive of other rights to which the officer, director or employee may be entitled.

Source: PL 3-104, § 211.

Commission Comment: With respect to the references to the “director” of the Department of Commerce and Labor, see Executive Order 94-3 (effective August 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001.