

524.604 Duties and responsibilities.

The duties and responsibilities of a director or of the board of directors shall include, but are not limited to, the following:

1. Attendance at no less than seventy-five percent of the regular board meetings held during the calendar year.
2. Employment of officer personnel, and determination of their compensation.
3. Periodic review of the original records of the state bank, or comprehensive summaries thereof prepared by the officers of the state bank, pertaining to loans, discounts, security interests and investments in bonds and securities.
4. Review of the adequacy of the bank's internal controls and determination of the most appropriate method to satisfy the bank's audit needs pursuant to section 524.608.
5. Periodic review of the utilization of security measures for the protection of the state bank and the maintenance of reasonable insurance coverage.

Directors of a state bank shall discharge the duties of their position in good faith and with that diligence, care and skill which ordinarily prudent persons would exercise under similar circumstances in like positions. The directors shall have a continuing responsibility to assure themselves that the bank is being managed according to law and that the practices and policies adopted by the board are being implemented.

[C27, 31, 35, §9283-b23; C39, §9283.71; C46, 50, 54, 58, 62, 66, §531.23; C71, 73, 75, 77, 79, 81, §524.604]

95 Acts, ch 148, §62