

21-206. LIABILITY OF FIDUCIARY FOR BREACH OF DUTY.

(A) LIABILITY.

SUBJECT TO § 21-207 OF THIS SUBTITLE, A FIDUCIARY WHO BREACHES ANY OF THE RESPONSIBILITIES, OBLIGATIONS, OR DUTIES IMPOSED ON A FIDUCIARY BY THIS SUBTITLE:

(1) IS PERSONALLY LIABLE TO THE SEVERAL SYSTEMS FOR ANY LOSSES TO THE SEVERAL SYSTEMS RESULTING FROM A BREACH;

(2) SHALL RESTORE TO THE SEVERAL SYSTEMS ANY PROFITS OF THE FIDUCIARY MADE THROUGH USE OF ASSETS OF THE SEVERAL SYSTEMS BY THE FIDUCIARY; AND

(3) IS SUBJECT TO ANY EQUITABLE OR REMEDIAL RELIEF, INCLUDING REMOVAL OF THE FIDUCIARY, THAT A COURT CONSIDERS APPROPRIATE.

(B) LIMITATION ON LIABILITY.

A FIDUCIARY IS NOT LIABLE WITH RESPECT TO A BREACH OF FIDUCIARY DUTY UNDER THIS SUBTITLE IF THE BREACH WAS COMMITTED:

(1) BEFORE THE FIDUCIARY BECAME A FIDUCIARY; OR

(2) AFTER THE FIDUCIARY CEASED TO BE A FIDUCIARY.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 73B, § 1-206(b) and the first sentence of (a).

Defined terms: "Fiduciary" § 21-201

"Several systems" § 20-101

21-207. INDEMNIFICATION OF FIDUCIARIES.

(A) IN GENERAL.

SUBJECT TO THE PROVISIONS OF THIS SECTION, THE STATE SHALL INDEMNIFY A FIDUCIARY WHO IS, OR IS THREATENED TO BE MADE, A PARTY TO AN ACTION OR PROCEEDING, INCLUDING AN ADMINISTRATIVE OR INVESTIGATIVE PROCEEDING, BY REASON OF THE FIDUCIARY'S SERVICE AS A FIDUCIARY.

(B) STANDARDS FOR INDEMNIFICATION.

(1) IN THIS SUBSECTION "EXPENSES" INCLUDE:

(I) REASONABLE ATTORNEY'S FEES;

(II) JUDGMENTS;

(III) FINES; AND

(IV) OTHER EXPENSES THAT WERE ACTUALLY AND REASONABLY INCURRED BY THE FIDUCIARY IN CONNECTION WITH THE ACTION OR PROCEEDING.