**NLN Affiliated Constituent League**

**Policy and Procedure**

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| policy number | **3.18** |
| policy name | Indemnification |
| **date of origin** | (Date) |
| purpose | Check your state laws to learn whether you are allowed to provide indemnification protection (insurance), whether you must have a clause in the bylaws, and what types of activities can be covered. |
| 1. **policy** | Unless otherwise prohibited by law, the Corporation may indemnify any director or officer or any former director or officer, and may by resolution of the board of directors indemnify any employee, against any and all expenses and liabilities incurred by him or her in connection with any claim, action, suit, or proceeding to which he or she is made a party by reason of being a director, officer, or employee. However, there shall be no indemnification in relation to matters as to which he or she shall be adjudged to be guilty of a criminal offense or liable to the Corporation for damages arising out of his own gross negligence in the performance of a duty to the corporation.  Amounts paid in indemnification of expenses and liabilities may include, but shall not be limited to, counsel fees and other fees; costs and disbursements; and judgments, fines, and penalties against, and amounts paid in settlement by, such director, officer, or employee. The Corporation may advance expenses or where appropriate may itself undertake the defense of any director, officer, or employee. However, such director, officer, or employee shall repay such expenses if it should be ultimately determined that he or she is not entitled to indemnification under this Article.  The board of directors may also authorize the purchase of insurance on behalf of any director, officer, employee, or other agent against any liability incurred by him/her which arises out of such person's status as a director, officer, employee, or agent, whether or not the Corporation would have the power to indemnify the person against that liability under law. |
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Revision Dates: