

HELEN M. PLUM MEMORIAL PUBLIC LIBRARY DISTRICT

B-10. Indemnification. Adopted by the Library Board of Trustees, October 21, 2014

Section 1: Any Trustee, officer or employee of the Library or of any other organization, committee, or group which he or she served in any capacity at the request of the Library and for the benefit of the Library shall be indemnified, defended and held harmless by the Library from and against all liabilities, losses, expenses, judgments and amounts paid in settlement which may be imposed upon, come due, or which are reasonably incurred or paid by such Trustee, officer or employee in connection with or resulting from any claim made against him or her or any action, suit, proceeding or investigation in which he or she may be involved, by reason of his or her being or having been such Trustee, officer or employee. The foregoing indemnity shall not extend, however, to any of the following:

- A. Any liability, loss or expense with respect to a matter as to which such person is finally adjudged to be guilty of bad faith, or actual malice, or willful and wanton misconduct in the performance of duties as such Trustee, officer or employee.
- B. Any payment, expense or cost arising out of a settlement of any claim, action, suit or proceeding unless:
  - 1. such settlement shall be approved by a court having jurisdiction over such claim, action, suit or proceeding with express knowledge of the existence of the indemnification provided hereby, or;
  - 2. such settlement shall have been made upon the written opinion of the Library's legal counsel to the effect that there is no reasonable ground for any finding of bad faith, or of actual malice, or willful and wanton misconduct on the part of such Trustee, officer, or employee and that the anticipated cost of such settlement will not substantially exceed the estimated cost and expense of defending such claim, action, suit or proceeding to a final conclusion;
- C. Any suit or claim made by the Library against such Trustee, officer or employee;
- D. The cost of independent legal representation in any such action, suit or proceeding if the Library offers or otherwise indicates its willingness to provide an adequate legal defense with respect to such claim, action, suit, proceeding or investigation;
- E. Any judgment for punitive or exemplary damages.

Section 2: A judgment or conviction in a criminal proceeding or termination of such proceeding by a plea of nolo contendere or its equivalent shall not be deemed an adjudication that the Trustee, officer or employee is liable for misconduct in the performance of his or her duties to the Library if it shall be determined by a court of competent jurisdiction or by a majority of the Library Trustees who are not parties to the proceeding that the action complained of on the part of the Trustee, officer or employee was taken in good faith in what he or she considered to be the best interests of the Library and on the reasonable assumption of its legality.

Section 3: The foregoing rights of indemnification shall not be exclusive of any other rights which any Trustee, officer or employee may have as a matter of law. The foregoing rights of indemnification shall, in the case of the death of a Trustee, officer or employee, inure to the benefit of his or her successors.

Section 4: This policy shall be in full force and effect from and after its passage and approval according to law. Any policies in conflict herewith are hereby repealed. If any part of this policy is adjudged invalid or unconstitutional, such adjudication shall affect only that part of this policy specifically covered thereby and shall not affect any other provisions or parts of this policy but shall be severable therefrom.