

BUSINESS OPERATIONS
INSURANCE MANAGEMENT

Indemnification of NJSBA Officers, Board of Directors and Employees

The NJSBA shall defray the expenses of defending a complaint, including reasonable counsel fees, if any, in a civil, administrative, criminal or quasi-criminal action, except as set forth below, brought against an NJSBA officer, Board of Directors member and/or employee for any act or omission arising out of, and in the course of, the performance of his/her duties and/or employment. In the case of a criminal or quasi-criminal action, the final disposition must have been in favor of such person. Indemnification for exemplary or punitive damages shall not be provided.

A written request for indemnification must be made within 10 days of receipt of the complaint. The request should be sent to the President c/o the General Counsel. NJSBA shall retain the attorney to represent the officer, Board of Directors member and/or employee consistent with, where appropriate, GO4124, "Special Counsel".

In the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement as being in the best interests of the Association. Upon annual approval of the budget NJSBA shall arrange for and maintain appropriate insurance to cover all such expenses.

No officer and/or Board of Directors member shall be indemnified for any expenses incurred in defending a proceeding before the NJSBA Ethics Committee.

No employee shall be indemnified for any expense incurred in any disciplinary proceedings instituted by the NJSBA, or for any proceeding challenging an action taken by the NJSBA against such employee.

Authority: BD 4/89
BD 11/01