

(1) THE ESTABLISHMENT OF ONE OR MORE STANDING COMMITTEES OR FOR THE CREATION OF ONE OR MORE COMMITTEES UPON THE OCCURRENCE OF CERTAIN EVENTS; AND

(2) THE COMPOSITION OF THE MEMBERSHIP, AND THE QUALIFICATIONS AND THE VOTING AND OTHER RIGHTS OF MEMBERS OF ANY SUCH COMMITTEE, SUBJECT TO THE CONTINUED SERVICE OF MEMBERS OF THE COMMITTEE AS DIRECTORS.

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(b) (1) A corporation may indemnify any director made a party to any proceeding by reason of service in that capacity unless it is established that:

(i) The act or omission of the director was material to the matter giving rise to the proceeding; and

1. Was committed in bad faith; or
2. Was the result of active and deliberate dishonesty; or

(ii) The director actually received an improper personal benefit in money, property, or services; or

(iii) In the case of any criminal proceeding, the director had reasonable cause to believe that the act or omission was unlawful.

(2) (i) Indemnification may be against judgments, penalties, fines, settlements, and reasonable expenses actually incurred by the director in connection with the proceeding.

(ii) However, if the proceeding was one by or in the right of the corporation, indemnification may not be made in respect of any proceeding in which the director shall have been adjudged to be liable to the corporation.

(3) (i) The termination of any proceeding by judgment, order, or settlement does not create a presumption that the director did not meet the requisite standard of conduct set forth in this subsection.

(ii) The termination of any proceeding by conviction, or a plea of nolo contendere or its equivalent, or an entry of an order of probation prior to judgment, creates a rebuttable presumption that the director did not meet that standard of conduct.

(4) A CORPORATION MAY NOT INDEMNIFY A DIRECTOR ~~UNDER THIS SECTION~~ OR ADVANCE EXPENSES UNDER THIS SECTION FOR A PROCEEDING BROUGHT BY THAT DIRECTOR AGAINST THE CORPORATION, EXCEPT:

(I) FOR A PROCEEDING BROUGHT TO ENFORCE INDEMNIFICATION UNDER THIS SECTION; OR

(II) IF THE CHARTER OR BYLAWS OF THE CORPORATION, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CORPORATION, OR AN