

16-6a-909 Limitations on indemnification of directors.

- (1)
- (a) A provision treating a nonprofit corporation's indemnification of, or advance for expenses to, directors that is contained in the following is valid only if and to the extent the provision is not inconsistent with this part:
 - (i) the articles of incorporation or bylaws of the nonprofit corporation;
 - (ii) a resolution of the nonprofit corporation's members or board of directors;
 - (iii) a contract, except an insurance policy; or
 - (iv) other writing.
 - (b) If the articles of incorporation limit indemnification or advance of expenses, indemnification and advance of expenses are valid only to the extent not inconsistent with the articles of incorporation.
- (2) This part does not limit a nonprofit corporation's power to pay or reimburse expenses incurred by a director in connection with the director's appearance as a witness in a proceeding at a time when the director has not been made a named defendant or respondent to the proceeding.

Enacted by Chapter 300, 2000 General Session