

CONSTITUTION

ARTICLE TEN. Indemnification

§ 10.01 Indemnification Coverage.

- (1) The Association shall indemnify each of its present officers, employees or official representatives, against all expenses actually and reasonably incurred by such person (including, but not limited to, judgments, costs and counsel fees) in connection with the defense of any pending or threatened litigation to which such person is, or is threatened to be made, a party because such person is or was serving in such capacity. This right of indemnification shall also apply to expenses of litigation which is compromised or settled, including amounts paid in settlement, if the Association shall approve such settlement. Such person shall be entitled to be indemnified if he acted in good faith and in a manner he reasonably believed to be in, and not opposed to, the best interests of the Association. The termination of any litigation by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner reasonably believed to be in, and not opposed to, the best interests of the Association.

-- Effective 4/12/2000 --

§ 10.02 Determination of Payments.

- (1) Any amount payable as indemnification under this Article shall be determined and paid by the Association pursuant to a determination by a majority vote of the Basketball Council, that such person seeking indemnification has met the standards of conduct set forth in this Article.

-- Effective 4/12/2000 --

§ 10.03 Expenses.

- (1) Any expenses incurred by such person in connection with the defense of any litigation may be made by the Association in advance of a final disposition of such litigation upon receipt of an undertaking by such person to repay such amount if it is determined under (2) hereof that such person is not entitled to be indemnified under this Article.

-- Effective 4/12/2000 --

§ 10.04 Additional Rights.

- (1) The right of indemnification under this Article shall be in addition to, and not exclusive of, all other rights to which such person may be entitled.

-- Effective 4/12/2000 --

§ 10.05 Insurance.

- (1) The Executive Board may, at its discretion, authorize the purchase of insurance on behalf of any persons indefinable under this Article. Such insurance may include provisions

for indemnification of such persons for expenses of a kind
not subject to indemnification under this Article.
-- *Effective 4/12/2000* --