

Ironwood Country Club Homeowners' Association of Normal, Inc.
By-Laws

Article 12 - Indemnification

Section 12.1 - Director or Officer: The Association shall indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he is or was a Director, or an officer of the Association against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding to the fullest extent and in the manner set forth in and permitted by the Illinois General Not For Profit Corporation Act and any other applicable law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights to which such Director, or officer may be entitled apart from the foregoing provisions. The foregoing provisions of this Article shall be deemed to be a contract between the Association and each Director, and officer who serves in such capacity at any time while this Article and the relevant provisions of the Illinois General Not For Profit Corporation Act and other applicable law, if any, are in effect, and any repeal or modification thereof shall not affect any rights or obligations then existing, with respect to any state of facts then or theretofore existing, or any action, suit, or proceeding theretofore, or thereafter brought or threatened based in whole or in part upon any such state of facts.

Section 12.2 - Employee or Agent: The Association may indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that he is or was an employee or agent of the Association, as a Member, Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding to the extent and in the manner set forth in and permitted by the Illinois General Not For Profit Corporation Act and any other rights to which any such person may be entitled apart from the foregoing provisions.

Section 12.3 - Right to Payment of Expenses: To the extent that a Director or officer of the Association has been successful, on the merits or otherwise, in the defense of any action, suit, or proceeding referred to in Section 1 of this Article, or in defense of any claim, issue, or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

Section 12.4 – Determination of Conduct: Any indemnification under Section 12.1 of this Article (unless ordered by a court) shall be made by the Association only as

authorized in the specific case, upon a determination that indemnification of the Director or officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section 1 of this Article. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties of such action, suit, or proceeding, or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (c) by the Members entitled to vote, if any.

Section 12.5 - Payment of Expenses in Advance: Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition of such action, suit, or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the Director or officer to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association as authorized in this Article.

Section 12.6 - Indemnification Not Exclusive: The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of Members, or disinterested Directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director or officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 12.7 - Insurance: The Association may purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Association, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such whether or not the Association would have the power to indemnify such person against such liability under the provisions of this Article.

Section 12.8 - References to Association: For purposes of this Article, references to "the Association" shall include, in addition to the surviving Association, any merging corporation (including any corporation having merged with a merging corporation) absorbed in a merger which, if its separate existence had continued, would have had the power and authority to indemnify its Directors, officers, employees, or agents, so that any person who was a Director, officer, employee, or agent of such merging corporation, as a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall stand in the same position under the provisions of this Article with respect to the surviving Association as such person would have with respect to such merging corporation if its separate existence had continued.

These bylaws were approved at the 2022 Annual Membership meeting of the Ironwood Homeowners' Association by a vote of 201 in favor, 50 opposed with 263 members present either in person or by proxy.