



RU Policy No. 10.2

Responsible Division: Office of the President (General Counsel)

Originally Issued: 10/2016

Last Revised: 03/2018

Revised Effective Date: 03/2018

Indemnification Policy

Policy Statement

In recognition of the notion that the University's Trustees and Employees cannot serve the University effectively unless they are protected against the risk of litigation for acting within the scope of their duties, the University has established a policy of indemnification.

The University reserves the right to modify or amend this Policy at any time, at its sole discretion. Any change to this Policy will become effective at the time designated above, and the changes will apply to both prospective students and those already enrolled. This Policy does not constitute an express or implied contract between Roosevelt University and any past, present, or prospective student, employee (including administrator, faculty, or staff), contractor, or volunteer. Unless otherwise stated, the term "Employee" as used in this Policy shall refer to all employees (including administrators, faculty, and staff), contractors, and volunteers.

Policy

The University shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action against said person by Roosevelt University) by reason of the fact that he/she is or was a trustee or employee of Roosevelt University. The indemnification shall be against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably believed to be in or not opposed to the best interests of Roosevelt University. With respect to any criminal action or proceeding, indemnification will be made provided said person had no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit or proceeding 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 which he/she reasonably believed to be in or not opposed to the best interests of Roosevelt University, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his/her conduct was unlawful.

No one shall be indemnified under this Policy for any issue or action in which he/she shall have been adjudged to be liable for misconduct in the performance of his/her duty to Roosevelt University. The determination as to whether such person shall have been adjudged to be liable

for misconduct shall be made by the President of the University except in instances involving the President or a member or members of the Board of Trustees. Judgment of misconduct by the President or by a trustee or trustees of the University, if alleged, shall be made by the Board of Trustees by a majority vote of trustees who are not parties to such action. If misconduct of the entire Board acting collectively is alleged, the determination of an independent legal counsel appointed by the President and the chairman of the board will be requested. The determination of whether a person has been adjudged to be liable for misconduct in the performance of his/her duty to Roosevelt University will not be limited to strict rules of construction but such determination will apply liberal rules of construction so as to do substantial justice.

Attorneys' fees and expenses incurred in defending a civil or criminal action suit or proceeding will be paid by Roosevelt University and said attorneys' fees and expenses may be paid by Roosevelt University in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Trustees in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount if it shall ultimately be determined that he/she is not entitled to be indemnified by the University as authorized in this Policy. However, no attorney's fees or expenses will be reimbursed unless the attorney to be retained has been approved in advance of incurring any fees by the President for faculty, administrator, or employee indemnification, or by the chairman of the Board of Trustees for the President or board member indemnification.

The indemnification provided by this Policy shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of disinterested trustees or otherwise, both as to actions in his/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 trustee or employee of the University and shall inure to the benefit of the heirs, executors and administrators of such a person.

Entities Affected by this Policy

All Divisions of the University.

Related Documents

None.

Revision and Implementation

The President of the University (and/or, as authorized by the President, the General Counsel) shall have the authority to revise this Policy, subject to the approval of the President's Executive Council.

The President (and/or, as authorized by the President, the Chief of Staff to the President or General Counsel) shall have the authority to establish any procedures necessary to implement this Policy.