

Employee Indemnification Policy

Clark shall furnish an employee with legal defense through legal counsel selected by the University and with payment of judgments, fines, penalties, settlements and any other expenses actually and reasonably incurred in connection with an actual or threatened civil, criminal, or administrative action, claim, or proceeding (an "Action") brought against such employee by reason of being an employee of the University or serving at the University's request as a member of or representative to an entity outside the University.

Defense and/or payment under this Policy shall be available only if all of the following conditions are met to the satisfaction of the University, in its sole discretion:

- The employee's actions or omissions were within the scope of his or her duties and authority. The employee's actions or omissions were in good faith, and in a manner reasonably believed to be lawful and in the best interests of Clark.
- The acts or omissions did not constitute dishonesty, recklessness, willful misconduct, the intentional infliction of harm, or a violation of the law, public policy, or Clark University policy, and the employee did not receive any financial profit or advantage to which he/she was not legally entitled.
- The original or a copy of any summons, complaint, notice, demand, letter, or other document or pleading in the Action, or a writing setting forth the substance of any claim, threat, complaint or charge made orally, is delivered to the Business Manager's Office as soon as possible and normally within 72 hours after receipt of such document, oral claim, threat, complaint, or charge with a specific request in writing that the University represent the employee. Clark will notify the employee of its response to the request for indemnification within five (5) business days of its receipt of the request.
- The employee cooperates continuously and fully with the University in the defense of the Action, including any decision on the part of the University to resolve the Action through settlement or other means and the employee agrees not to make any public statements, oral or written, regarding the action without prior written permission from Clark.

The protection in this Policy shall not extend to:

- Consulting or other outside professional or business activities for a party other than the University, unless performed at the University's request.
- Actions that an employee may affirmatively initiate or propose initiating against any other person or entity.
- Any action to the extent that the resulting damage or loss is indemnifiable under any insurance which is in force and covers the employee.
- Any indemnification prohibited by law.

The benefits of this Policy shall not enlarge the rights which would have been available to any third-party plaintiff or claimant in the absence of this Policy.

The University reserves the right to change or withdraw this Policy in its sole discretion, except as to any Action for which it has previously agreed to furnish defense counsel and an indemnity and in those cases, subject to the terms of the policy in existence at the time it agreed to furnish defense counsel and an indemnity.