

RESOLUTION NO. 1986- 246

AMENDING THE BY-LAWS OF THE
GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

WHEREAS, the Board of Trustees of the Greater Cleveland Regional Transit Authority established By-Laws pursuant to Resolution No. 1976-178, adopted May 25, 1976, and has amended such By-Laws from time to time by appropriate resolutions; and

WHEREAS, it is the intention of the Board of Trustees to modify and amend Article IX, Section 2 Indemnification of the By-Laws.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority:

Section 1. That Article IX, Section 2 Indemnification of the By-Laws adopted by Resolution No. 1976-178 as amended, be amended to read as follows:

Section 2. Indemnification. Each member of the Board and each officer of the Authority (and his heirs, executors and administrators) who is made a party to any litigation, action, suit or proceeding (whether civil, criminal or administrative) by reason of his being or having been a member of the Board or officer of the Authority shall be entitled to be indemnified by the Authority for the reasonable expenses actually incurred by him in connection with the defense of such litigation, action, suit or proceeding.

Unless prohibited by law, the Authority agrees to enter into such litigation, action, suit or proceeding and defend each Board member(s) and each officer of the Authority and to pay fines and penalties imposed on such member or officer and amounts paid upon a plea of Nolo Contendere or similar plea or in compromise or settlement of the litigation or in satisfaction of any judgment. Each Board Member and each officer of the Authority shall have the right of approval or rejection of any compromise or settlement of any such claim or action against such officer or Board Member. Further, said Board Member(s) or Officer(s) shall be permitted to have counsel of their own choice as a recognized expense to the extent that it does not exceed the fee schedule set by the Board of Trustees for outside counsel.

Provided, however, that in relation to the matters:

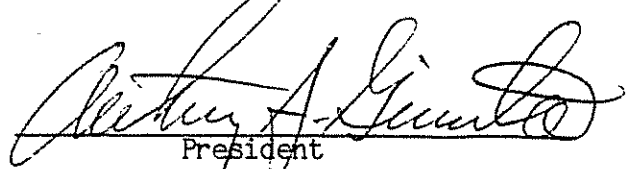
- (a) Those as to which he shall finally be adjudged in such litigation to be liable because of a dereliction in the performance of his duties as a member of the Board or as an officer of the Authority, or
- (b) Those which have resulted in a judgment in favor of the Authority and against him or which are settled by any payment by him to the Authority, or
- (c) Those as to which he gained any personal profit or advantage to which he was not legally entitled.

Said Board Member(s) and said officer(s) of the Authority shall be obligated to repay and to reimburse the Authority for all monies advanced by or out as expenses as defined herein which were expended or incurred by the Authority arising from such litigation, action, proceeding and appeals therefrom.

"Expenses" shall be deemed to mean and to include, but not be limited to fines and penalties imposed on such member or officer; amounts paid upon a plea or Nolo Contendere or similar plea; amounts paid in compromise or settlement of the litigation; amounts paid in satisfaction of any judgment; costs of investigation; reasonable attorney's fees incurred in the defense of such litigation; and costs of attachment or similar bonds.

Section 2. That this Resolution shall take full force and effect June 10, 1986.

Adopted: August 5 1986



President

Attest: Robert J. Landgraf
Secretary-Treasurer