WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1961

ENROLLED

SENATE BILL NO. 38

(By Mr. Riley)

PASSED February 20th, 1961
In Effect ninety days after Passage

Filed in Office of the Secretary of State
of West Virginia February 27, 1961
JOE F. PURDOTT
SECRETARY OF STATE
AN ACT to amend article one, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section designated section eighteen-a, relating to the power of corporations to indemnify present or former directors and officers.

Be it enacted by the Legislature of West Virginia:

That article one, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new section designated section eighteen-a, to read as follows:

Section 18-a. Indemnification of Directors and Officers.

2 —Every corporation subject to the provisions of this
article shall have power to indemnify any director or
officer or former director or officer of the corporation, or
any person who may have served at its request as a di-
rector or officer of another corporation in which it owns
shares of capital stock or of which it is a creditor, against
domains actually and necessarily incurred by him in con-
nection with the defense of any action, suit or proceeding,
civil or criminal, in which he is made a party by reason of
being or having been such director or officer, except in
relation to matters as to which he shall be adjudged in
such action, suit or proceeding to be liable for negligence
or misconduct in the performance of duty to the corpora-
tion; amended by restoring original language in the print-
ed bill, and to make any other indemnification that shall
be authorized by the articles of incorporation or by any by-
law or resolution adopted by the shareholders after notice.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

Takes effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 17th day of February, 1961.

Governor