

**490.854 Court-ordered indemnification and advance for expenses.**

1. A person who is a party to a proceeding because the person is a director may apply for indemnification or an advance for expenses to the court conducting the proceeding or to another court of competent jurisdiction. After receipt of an application and after giving any notice it considers necessary, the court shall do any of the following:

a. Order indemnification if the court determines that the director is entitled to mandatory indemnification under [section 490.852](#).

b. Order indemnification or advance for expenses if the court determines that the director is entitled to indemnification or advance for expenses pursuant to a provision authorized by [section 490.858, subsection 1](#).

c. (1) Order indemnification or advance for expenses if the court determines, in view of all the relevant circumstances, that it is fair and reasonable to do any of the following:

(a) Indemnify the director.

(b) Advance expenses to the director.

(2) The court shall order indemnification or advance for expenses, even if in the case of subparagraph (1), subparagraph division (a) or (b), the director has not met the relevant standard of conduct set forth in [section 490.851, subsection 1](#), failed to comply with [section 490.853](#) or was adjudged liable in a proceeding referred to in [section 490.851, subsection 4, paragraph "a" or "b"](#). However, if the director was adjudged so liable the director's indemnification shall be limited to expenses incurred in connection with the proceeding.

2. If the court determines that the director is entitled to indemnification under [subsection 1, paragraph "a"](#), or to indemnification or advance for expenses under [subsection 1, paragraph "b"](#), it shall also order the corporation to pay the director's expenses incurred in connection with obtaining court-ordered indemnification or advance for expenses. If the court determines that the director is entitled to indemnification or advance for expenses under [subsection 1, paragraph "c"](#), it may also order the corporation to pay the director's expenses to obtain court-ordered indemnification or advance for expenses.

[89 Acts, ch 288, §102; 2002 Acts, ch 1154, §48, 125; 2021 Acts, ch 165, §114, 230](#)

Referred to in [§490.851, 490.853, 490.856, 491.3, 491.16, 497.34, 498.36, 499.59A, 508C.16, 524.801](#)