§ 7020. Payment of indemnification other than by court award. 1. A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in section seven thousand nineteen shall be entitled to indemnification as authorized in such section.

2. Except as provided in subdivision one, any indemnification under section seven thousand nineteen or otherwise permitted by section seven thousand eighteen, unless ordered by a court under section seven thousand twenty-one, shall be made by the corporation, only if authorized in the specific case:

(a) By the board acting by a quorum consisting of directors who are not parties to such action or proceeding upon a finding that the director or officer has met the standard of conduct set forth in section seven thousand nineteen or established pursuant to section seven thousand eighteen, as the case may be, or,

(b) If a quorum under paragraph (a) is not obtainable or, even if obtainable, a quorum of disinterested directors so directs:

(i) By the board upon the opinion in writing of independent legal counsel that indemnification is proper in the circumstances because the applicable standard of conduct set forth in such sections has been met by such director or officer, or

(ii) By the stockholders upon a finding that the director or officer has met the applicable standard of conduct set forth in such sections.

3. Expenses incurred in defending a civil or criminal action or proceeding may be paid by the corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount as, and to the extent, required by subdivision one of section seven thousand twenty-two.