



Policy G002 Indemnification of Board Members and Employees

Policy:	G002– Indemnification of Board members and employees
Effective Date:	September 9, 2010
Approved by:	Board

PURPOSE

The Board is prepared to indemnify or to reimburse its members and employees from and against the payment of the deductible portion of any claim arising as a result of any action brought or judgment obtained against the member or employee and, to the extent provided by law, imposed in those instances where:

1. all but the deductible portion of any claim is covered under the insurance coverage held by the Board;
2. the claim exceeds the insurance coverage limit; and/or
3. the expense is a fine.

POLICY

The Board shall maintain adequate insurance to provide coverage for the reimbursement or indemnification of any members and employees performing any duty for the Board, whether remunerated or not, (hereinafter collectively referred to as “the named Party”) against any losses or expenses which he/she incurs as a result of any injury relating to, or any action brought, prosecution of or judgment obtained against him/her, arising out of his/her duties in that position; provided always that the legal liability for losses or expenses arises out of any act, error or omission during the performance of his/her duties which are or which he/she believes in good faith to be, within the scope of his/her position or employment with the Board. The Board retains the right to add additional insureds to the insurance policy as required.

GUIDELINES

The Board shall indemnify or reimburse any named Party against any losses or expenses incurred by a named Party notwithstanding that those losses or expenses may exceed the limits of liability coverage available under the Board’ Comprehensive General Liability Policy and subject to the following conditions:

1. Reimbursement or indemnification will be provided for the payment of the deductible portion of any claim covered by insurance, any claim in excess of the insurance coverage limits and any fines or penalties levied or imposed against the named Party by reason of the named Party being charged with a violation of any statute or by-law, PROVIDED the named Party acted in good faith and within the course and scope of his/her authority in whatever actions resulted in the commission of an offence.
2. The Board’s insurers shall have the right to defend in the name of and on behalf of the named Party and make such investigation, negotiation and settlement of any claim as they may deem necessary or expedient.



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3. The named Party, upon being notified that any legal action may be or is being commenced against him/her, shall immediately notify the Chief Executive Officer.
4. Insurance coverage maintained by the Board extends to cover the named Party who has left his/her employment or position with the Board; provided the incident out of which a claim or demand arises, actually occurred during the time the named Party was employed or performing duties for the Board.
5. Insurance coverage shall be reviewed with the Audit & Finance Committee every two years. Any changes, if necessary, shall be recommended to the Board.

Nolan Crouse, Board Chair

Revisions		
Date	Status	Comments
October 5, 2015	Amend	Typo fixed
February 11, 2016	Approved	Approved by the Board
October 31, 2017	Amend	Non-substantive changes to ensure compliance with the new MGA, Regulation, Growth Plan, and approved Board Governance Structure