
BYLAW NUMBER 3 – INDEMNIFICATION AGAINST PROCEEDINGS

1. PREAMBLE

The Board of Education may indemnify a trustee, an officer or an employee of the Board against a claim for damages arising out of the performance of his or her duties, including amounts required to settle an action or satisfy a judgement in a civil, criminal or administrative action or proceeding, or where an inquiry under Part 2 of the *Inquiry Act* or other proceeding involves the administration and conduct of the business of the School District.

When a conflict exists between this policy and the contract provisions of an employee, the contract provisions will take precedence.

The Board will not cover the costs of any action taken against the Board, its officers or employees.

2. LIMITATIONS

2.1 Payments

The Board may pay, by an affirmative vote of not less than 2/3 of its members, any sum required to indemnify a trustee, an officer or an employee of the Board. In addition, the Board may pay legal costs, charges and expenses actually and reasonably incurred in proceedings arising out of the claim or inquiry or other proceeding.

The indemnification will only occur if the trustee, officer or employee acted reasonably and in good faith, and in the case of a criminal or administrative action or proceeding, the trustee, officer or employee had reasonable grounds for believing that his/her conduct was lawful.

The Board, however, shall not pay a fine imposed on a trustee, officer or employee as a result of his or her conviction.

The Board may give consideration to advancing funds to the trustee, officer or employee prior to the final resolution of a claim or action brought against him/her in order to prevent undue hardship being suffered.

2.2 Board May Seek Indemnity

The Board will not normally seek indemnity against a trustee, an officer or an employee of the Board in respect of any action of the trustee, officer or employee that results in a claim for damages against the Board.

However, the Board may seek indemnity when that claim arises out of the gross negligence of the particular individual(s) involved or where, in relation to the action that caused the claim for the damages, the officer or the employee willfully acted contrary to the terms of his or her employment or to an order of a superior.

2.3 Control of Legal Counsel

Notwithstanding the foregoing, the Board will have the option to retain legal counsel of its choice to defend an action or proceeding against a trustee, officer or employee, and the authority for the direction of the defence and for the acceptability of any compromise or settlement of any claim or action against the trustee, officer or employee will lie in the sole discretion of the Board. In the event the Board chooses to retain such legal counsel, it has no obligation to indemnify a trustee, officer or employee for any legal fees associated with any legal representation the trustee, officer or employee may choose to retain.