



# POLICY

---

**POLICY NO:** 105

**APPROVAL DATE:** November 4, 2002

**TITLE:** Payment of Legal Fees for  
Elected Officials or Employees

**REVISION DATE:**

**SECTION:** Administration

**PAGE 1 OF 1**

**DEPARTMENT:**

---

## **POLICY STATEMENT**

---

The City will ease the financial burden of an Elected Official or employee being sued by a third party for liability or conflict of interest.

---

## **REASON FOR POLICY**

---

To establish a policy concerning the payment of legal fees where a member of City Council, Administration or an employee is sued by a third party for liability or conflict of interest, subject to the wording, conditions and exclusions within the City's Liability Policy.

---

## **RESPONSIBILITIES**

---

1. The City will acquire third party liability insurance, which will cover items under Clause 2 and 3 of this policy, subject to the wording, conditions and exclusions within the City's Liability Policy.
2. A claim for all defence costs made by a third party is covered by the City's Liability Insurance where the insurance company's lawyer defends the action.
3. Pursuant to a claim made under 1, the insurance company will pay any damages awarded by a judge, unless a judge rules that an elected official or employee has acted "illegally, wilfully or recklessly" or where the City did not condone, approve or have prior knowledge of such action.
4. A claim that is made by a third party against an elected official or employee and is not covered by the City's insurance, will be paid by the City. The City will pay the legal fees on behalf of the elected official or employee where it is deemed performance of duties resulted in action being taken by a third party and provided that the actions of an elected official or employee were not carried out illegally, wilfully or recklessly.