

**DISTRICT OF LAKE COUNTRY  
BYLAW 576**

A bylaw to provide indemnification for municipal officials against proceedings in connection  
with the performance of their duties and the conduct of municipal business

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NOW THEREFORE the Council of the District of Lake Country in open meeting assembled, enacts as follows:

1. This bylaw may be cited as “Indemnification Bylaw 576, 2006”.
2. In this bylaw,
  - (a) “District” means the District of Lake Country.
  - (b) “Municipal Official” has the same meaning as defined in section 287.2(1) of the *Local Government Act*, as amended from time to time.
3. The District will indemnify a Municipal Official for any costs reasonably required or incurred defending an action or prosecution brought against the Municipal Official in connection with the exercise or intended exercise of his or her powers or the performance or intended performance of his or her duties or functions, including amounts required to satisfy a judgment, award or penalty imposed in such an action or prosecution.
4. Notwithstanding section 3, the District will not pay or indemnify a Municipal Official for any fine or penalty imposed as a result of the Municipal Official’s conviction for an offence that is not a strict or absolute liability offence.
5. The District will indemnify a Municipal Official for any legal costs reasonably required or incurred in relation to a proceeding that involves the administration of the municipality or the conduct of municipal business.
6. Section 3 and Section 5 do not apply in any case where the Municipal Official:
  - (a) has not acted within the scope of his or her duties;
  - (b) has been grossly negligent or dishonest, or engaged in willful or malicious misconduct, or
  - (c) in the case of an officer or employee, has acted contrary to the terms and conditions of his or her employment or contrary to law, or has acted contrary to an order given by a person in authority over him or her, or
  - (d) in the case of a council member, has acted in a conflict of interest with the District or otherwise not in accordance with his or her duties.

7. If a court or tribunal makes a finding listed in subsections 6(a) to (d) of this Bylaw and the District has already paid the costs or damages of the Municipal Official, the Municipal Official must repay those costs or damages to the District.
8. Where indemnity is or may be claimed under this Bylaw by a Municipal Official, the Municipal Official shall, within 7 days of receipt, forward to the corporate officer appointed by the Council under section 148 of the *Community Charter*, every statement of claim, writ of summons, information, letter, document or advice relating to the claim or prosecution in respect of which the indemnity is or may be claimed.
9. Upon receipt of all information available under section 8, the corporate officer must make a determination as to whether the Municipal Official is entitled to indemnification pursuant to this Bylaw, and in order to make this determination, may request additional information from the Municipal Official, which must be provided to the best of the Municipal Official's knowledge and ability.
10. If the corporate officer determines that the Municipal Official is entitled to indemnity pursuant to this Bylaw, the corporate officer shall proceed to provide the indemnity to the Municipal Official, and report the provision of the indemnity to Council at its next regular meeting or, if necessary, at a special council meeting.
11. Where indemnity is or may be claimed under this Bylaw by a Municipal Official, the Municipal Official shall not:
  - (a) voluntarily assume any liability, settle any claim or enter any plea except at his or her own cost, and no indemnification shall be paid in relation to any such assumption of liability, settlement or plea; or
  - (b) interfere with the District in any negotiation or settlement in any legal proceedings with respect to the claim or prosecution.
12. Whenever requested by the District or its legal counsel, a Municipal Official shall:
  - (a) assist in securing information and evidence and the attendance of witnesses;
  - (b) give evidence himself or herself; and
  - (c) cooperate with the District in the defence of any action or proceeding or in the prosecution of any appeal taken by the District on behalf of the Municipal Official.
13. The District or its insurer will have sole discretion to appoint legal counsel to defend the claim or prosecution.
14. It is a condition precedent to the District's liability to indemnify a Municipal Official as provided in this Bylaw that the Municipal Official comply with the provisions of sections 8, 9, and 11 to 13 of this Bylaw.

15. Nothing in this Bylaw precludes a Municipal Official from applying for indemnification pursuant to Council's jurisdiction under s. 287.2(2)(b) of the *Local Government Act* for a resolution indemnifying the Municipal Official in a specific case.
16. Bylaw Number 97-094, cited as "District of Lake Country Officers, Employees and Members of Council Indemnification Bylaw Number 97-094" is hereby repealed.

READ A FIRST TIME this 10<sup>th</sup> day of January, 2006.

READ A SECOND TIME this 10<sup>th</sup> day of January, 2006.

READ A THIRD TIME this 10<sup>th</sup> day of January, 2006.

RECONSIDERED AND ADOPTED this 24th day of January, 2006.

"original signed by James Baker"

Mayor

"original signed by Wendy Caban"

Deputy Clerk

I hereby certify the foregoing to be a true and correct copy of the Bylaw cited as "Indemnification Bylaw 576, 2006" as adopted by the Municipal Council on January 24, 2006.

Dated at Lake Country, B. C.

Clerk, Deputy