BY-LAW NO. A-1

A BY-LAW RESPECTING THE OFFICIALS OF CENTRAL YORK RURAL COMMUNITY

WHEREAS The Minister of Local Government and Local Governance Reform may make or amend by-laws of a restructured local government as per An Act Respecting Local Governance Reform, section 11(2);

BE IT ENACTED by the Minister of Local Government and Local Governance Reform as follows:

1. DEFINITION

In this By-law: "officials" includes the Mayor, Members of Council, and officers and employees of Central York Rural Community.

2. INSURANCE POLICY

- 2.01 At all times, there shall be in force a bond or policy of insurance to provide the City with protection against any loss of money, or any other property, which may be sustained by the City through any fraudulent or dishonest act or acts committed by any of its officials acting alone or in collusion with others.
- 2.02 This bond or insurance policy shall be in such amount as the Finance and Administration Committee of the Council deems advisable.

3. INDEMNIFICATIONS

- 3.01 Subject to section 3.04 of this by-law, the Rural Community will indemnify its officials against any claim for damages by a third party against the official arising out of the performance of the duties of the official and the City will pay the legal costs arising there from.
- 3.02 Subject to section 3.04 of this by-law, the Rural Community will not seek indemnity against its officials if the actions of the officials result in a claim for damages against the Rural Community by a third party.
- 3.03 Where the Rural Community indemnifies any of its officials hereunder, the conduct, control and settlement of any such claims shall be at the discretion of the Council.

3.04 Sections 3.01 and 3.02 of this by-law do not apply in any case where an official:

- (1) has been grossly negligent;
- (2) has acted contrary to the terms and conditions of employment;
- (3) has acted contrary to an order given by a person in a position of authority;
- (4) has brought about or contributed to the claim by reason of fraud or dishonesty.

4. EFFECTIVE DATE

Given under the hands of the Transition Facilitator, on behalf of the Minister of Local Government and Local Governance Reform, on this 3th day of 3202.

Greg Lutes, Transition Facilitator