



**SIMON FRASER UNIVERSITY**  
**Policies and Procedures**

**Date**  
October 26, 2000

**Number**  
AD 3.14

**Revision Date**

**Revision No.**

## **Indemnity Approval Policy**

### **Purpose and Rationale**

To describe the process required by the Minister of Finance and Corporate Relations to enable the University to provide an indemnity to another party. Under the terms of the Financial Administration Act and regulations established by the Minister, Simon Fraser University cannot agree to any form of a third party indemnity without having an approved internal review process in place.

To provide a policy and procedures governing any commitment by the University to assume financial responsibility for loss, damage or expense sustained by any person. The commitment may function either separately or in conjunction with any policy of insurance maintained by the University. The policy and procedures are designed to ensure consistency in the form and content of indemnities provided by the University, and to provide for the authorization of such indemnities.

### **Policy Statement**

Any document, contract or agreement (the "Document") which contains an indemnification to other parties, must be reviewed by the Manager, Risk Management and Insurance, or the Treasurer or the Vice President, Finance and Administration, prior to such a Document being finalized and executed by the Board authorized signing officer.

### **Procedures**

1. It is the responsibility of each originating department to ensure that all Documents containing indemnities are referred to any Financial Services Department official noted herein for review.
2. All indemnity provisions contained in standard form Documents used by the University must be reviewed by the Manager, Risk Management & Insurance; the Treasurer; or the Vice President, Finance and Administration prior to being signed by the Vice President, Finance and Administration.
3. Financial Services may obtain outside legal counsel as required, in reviewing indemnity provisions and will provide that advice to the responsible Board authorized signing officer, as appropriate.
4. The following guidelines shall be considered in providing an indemnification to other parties:
  - a. The indemnity should become operative only in the event of loss or damage arising out of the usual activities or programs of the University or any of its employees, agents or contractors;
  - b. The indemnification should be in respect of loss, damage and expense (including costs of any legal proceedings) arising from the activity or program to which the document relates;
  - c. The commitment in the indemnification is limited to every extent possible to the degree of negligence attributable to the University, its employees, agents or contractors.
  - d. To the extent that other parties to the Document may be participants in activities or are committed to obligations, which may give rise to any claim of loss, damage or expense, the Document should contain a reciprocal indemnity from such other parties in favour of the

- e. The indemnity and any reciprocal indemnity in a Document should apply in respect of any loss, damage or expense to property as well as personal or bodily injury (including death) and loss of life resulting directly from th