

EMPLOYEE AND FACULTY INDEMNIFICATION POLICY

Approval Authority: Board of Governors

Established On: May 14, 2025

Amendments: None

Category: Administration and Operational Support

1.0 POLICY STATEMENT

NOSM University (the “**University**”) will provide legal defense and indemnification to its employees and faculty (including faculty engaged as independent contractors) subject to conditions and subject to certain exclusions. Legal defense includes the provision of legal counsel selected by NOSM University (and who will be retained jointly by the University and the employee or faculty member), while indemnification covers payments for judgments, settlements, and other reasonable expenses incurred in connection with actual or threatened civil, criminal, administrative, or regulatory actions, claims, or proceedings (“**Actions**”) brought against an employee or faculty member by reason of their employment with NOSM University or their role as a representative of the University.

2.0 SCOPE

2.1 Application of policy

This policy applies to all employees and faculty members of NOSM University requiring legal defense or indemnification as a result of an Action against them.

Coverage for legal defense and indemnification extended by this policy only applies insofar as at least one of NOSM University’s insurance policies provides coverage for the Action against the employee or faculty member. In the event that NOSM University has no such insurance policy, it may (in its sole discretion) still provide legal defense and indemnification in accordance with this policy. In any event, if an employee or faculty member is found not guilty or not liable, the University may reimburse the employee or faculty member’s legal costs.

As of the date of this policy, coverage is available for Actions alleging harassment (including workplace bullying, and sexual harassment), discrimination, employment-related libel, slander, humiliation, defamation, invasion of privacy, false imprisonment,

and wrongful discipline. It also includes Actions alleging certain online misconduct by faculty members and employees.

This policy applies solely to the defense of Actions against employees and faculty members; It does not apply to pursuit of any Action.

To be eligible for coverage under this policy:

- The employee's or faculty member's act or omission that led to an Action must have occurred within the scope of their employment or official duties at NOSM University

2.2 Exclusions

This policy does not apply to Actions against any faculty member or employee arising out of, based upon, or attributable to:

- Any act or omission prior to the date of this policy. Any act or omission occurring while the faculty member or employee is on unpaid leave.
- An employee or faculty member's dishonesty, gross negligence, willful misconduct, or illegal activity.
- An employee or faculty member's deliberate criminal or deliberate fraudulent act or omission.
- The receipt by an employee or faculty member of any unauthorized financial profit.
- Any act or omission within the duties of consulting or external professional/business activities where the faculty member or employee receives compensation from a third party.
- Any act or omission leading to bodily injury (other than emotional distress or mental anguish), sickness, disease, or death of any person, or damage to or destruction of any tangible property, including the loss of use thereof.

Further, this policy will not apply to:

- Any indemnification prohibited by law.
- Actions for which a faculty member or employee is already indemnified by an insurance policy.
- Any pending or prior Action of which the faculty member or employee had notice before the date this policy first came into effect.

- Any Action arising out of, based upon, or attributable to any Action that are the same as or related to those that were alleged in another Action against the faculty member or employee prior the date this policy first came into effect.
- Employees and faculty members named as respondents in university internal tribunals.
- Internal academic proceedings provided however that if a student who is a party to a proceeding retains legal counsel, the University may in its sole discretion provide legal counsel to any faculty member or employee.
- Legal fees, disbursements, and other costs incurred by an employee or faculty member who retained legal counsel without University approval or in accordance with this policy.

3.0 CONDITIONS FOR INDEMNIFICATION

In addition to the restrictions set out above, indemnification and legal defense under this policy are contingent upon the following:

3.1 Notification Requirement

The faculty member or employee must provide written notice of any actual, potential, or threatened Action, including any relevant documents (summons, complaints, etc.), to their supervisor, Director, or Division Head, and to NOSM University's Risk Management team as soon as reasonably practicable and request University representation. Failure to adhere to this provision may void coverage under this policy or the University's insurance policies.

3.2 Continuous Cooperation

The employee or faculty member must cooperate fully with joint counsel's recommendations in the defense of the Action. Failure to do so may result in termination of legal defense.

3.3 Control of Defense

The University retains the right to accept a reasonable settlement offer. In the event that a reasonable settlement offer is refused by the faculty member or employee, then the University may terminate legal representation. The reasonableness of a settlement offer will be determined by the counsel involved. No offer to settle may be put forward to the other side without the University's prior approval.

4.0 POLICY TERMS AND PROCEDURES

4.1 Upon receipt of a report of an actual or threatened Action, the Vice-President, Administration and Chief Operating Officer and Director of Risk will assess the occurrence and communicate with the University's insurers to determine whether a legal defense or indemnification will be provided to the employee or faculty member.

4.2 If the University's insurers deny coverage, the Vice-President, Administration and Chief Operating Officer will decide if the University will provide legal defense or indemnification. The University will select joint legal counsel if defense is provided, and this decision will be communicated in writing to the employee or faculty member. Employees and faculty members with reasonable concerns about the selection of counsel can bring them to the attention of the Vice-President, Administration and Chief Operating Officer for consideration by the University.

5.0 INTERPRETATION

Questions regarding the interpretation or application of this policy should be directed to the appropriate office. NOSM University reserves the right, in its sole discretion, to amend or withdraw this policy, except for claims based on acts or omissions prior to any changes. Notice of changes will be communicated via appropriate channels. Nothing in this policy shall be interpreted in a manner that is inconsistent with any collective agreement or applicable laws.

6.0 RELATED DOCUMENTS

Relevant University policies and legal documents include:

- NOSM University Clinical Sciences Division Professionalism and Code of Conduct
- [NOSM University Faculty Handbook](#)
- OPSEU Local 677, Units 1 and 2, Collective Agreements

AUTHORITIES AND OFFICERS

The following is a list of authorities and officers for this policy:

- a. Approving Authority: Board of Governors
- b. Responsible Officer: President

- c. Procedural Authority: Vice-President Administration and Chief Operating Officer
- d. Procedural Officer: Director, Planning and Risk

Review and Revision History

Review Period: 5 years or as required

Date for Next Review: 2029 09