

## Ex Gratia Payments

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### Policy Statement

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An *Ex gratia* Payment may be made to a person or group who has suffered a financial detriment where, by not admitting fault or wrongdoing, the County may avoid higher costs arising out of settlement negotiations and legal and other expenses.

*Ex gratia* Payments will be considered on their individual merits and the fact that an *Ex gratia* Payment has been made previously in a similar situation shall not be regarded as a precedent for future payments.

### Purpose

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The purpose of this Policy is to have a fair and efficient process to address small Claims made against the County where the County does not agree with or admit liability, and to allow the County to provide a prompt resolution to the Claims in the form of an *Ex gratia* Payment if appropriate.

### Definitions

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**Claim** means a request to the County for a monetary payment by a person or group.

**Claimant** means the person or group making a Claim.

***Ex gratia* Payment** means a payment made without legal acknowledgement of fault or liability and is used instead of financial and legal settlements that imply or admit wrongdoing or contractual responsibility.

### Guidelines

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1. An *Ex gratia* Payment of up to \$5,000.00 may be considered on its individual merits for:
  - a. persons or groups who have suffered a loss or financial detriment, and the County believes it may have a moral or legal obligation to correct the loss or detriment; or
  - b. an Employee whose personal item or items used in the performance of their duties are damaged, lost, stolen, or destroyed.
2. Prior to consideration for an *Ex Gratia* Payment, a Claimant must provide the following information, on a without-prejudice basis, to the County:
  - a. A detailed statement of the facts describing the Claim;
  - b. A statement showing how the Claim amount is calculated;
  - c. Copies of original documents confirming any disbursements or other charges that are included in the Claim; and
  - d. Any other information necessary to describe or prove the Claim.

3. *Ex gratia* Payments may be used to provide liability-free compensation to persons or groups in order to:
  - a. avoid higher settlement expenses and legal costs;
  - b. address liability where other types of payments or settlements may create a precedent;
  - c. prevent additional expenses by providing timely payment for reasons such as waiver of liability, undue hardship, or contract mismanagement;
  - d. provide payment in circumstances where there is a strong moral obligation to do so to alleviate hardship and as a gesture of goodwill.
4. *Ex gratia* Payments will not generally be available for amounts that are difficult to calculate, such as pain-and-suffering, loss of opportunity, and third-party liability.
5. The County may offer a reduced *Ex gratia* payment when the acts or omissions of the Claimant or another group or individual contributed to the damages, loss, or financial detriment.
6. Prior to the release or transfer of any *Ex gratia* Payment, the Claimant must agree to the terms of a Waiver or Release that releases the County from all liability for the events that led to the damages, loss, or financial detriment, and that waives all further claims or lawsuits against the County with respect to the events.
7. If the County does not approve a Claim, all documentation will be returned to the Claimant along with reasons for the denial.
8. No less than annually, a report shall be prepared for Council noting all instances of *Ex gratia* payments in the previous year.

## **Policy Record**

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09/10/2013

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476/2013

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