

UNIVERSITY OF CALIFORNIA, SANTA BARBARA

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SANTA BARBARA • SANTA CRUZ

RISK MANAGEMENT
Environmental Health & Safety
Santa Barbara, CA 93106-5132
(805) 893-8659 (fax)

October 1, 2010

RE: University's Duty to Defend Its Employees

For all matters except those specified below, the defense and indemnification of employees and former employees shall be governed by the provisions of the California Tort Claims Act and administered in accordance with the delegations to the President and the General Counsel pursuant to the Bylaws, Standing Orders and Regents Policy.

The California Tort Claims Act, section 810 et seq. of the Government Code of the State of California provides that The Regents of the University of California, as a public employer, is responsible for the acts or omissions of its employees in the course and scope of their employment. As such, University employees in the course of their University duties are provided defense and indemnity for acts or omissions at facilities owned and operated by the University and in other facilities in which there is a service agreement defining the scope of the University employees' duties for purposes of defense and indemnity.

The Regents of the University of California carries out the obligation set forth in the California Tort Claims Act by maintaining a self-insured general and automobile liability program entitled "General and Automobile Liability Self-Insurance Program". Federal law mandates the maintenance of such a fund. University employees are covered, except where they act or fail to act because of actual fraud, corruption or actual malice or they are outside the course and scope of University employment.

In accordance with Regents Policy 4202, in the event of an award of punitive damages against an employee or former employee of the University related to an act or omission of the employee or former employee, the Regents shall make an independent determination whether the employee or former employee's act or omission was: (1) within the course and scope of University employment; (2) in good faith, without actual malice and in the apparent best interests of the University; and (3) whether payment of the award would be in the best interests of the University. If the Regents determine that the employee or former employee's act or omission was within the course and scope of University employment, in good faith, without actual malice and in the apparent best interests of the University, and that payment of the award is in the best interests of the University, the Regents shall indemnify the employee or former employee as to such punitive damages. The amount to be indemnified shall be determined by the Regents and in their sole discretion.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Lombardo".

Pamela S. Lombardo, EH&S Director and Risk Manager