

CONFLICT OF INTEREST POLICY

1. Policy Statement

This document will outline the Board of Directors expectations of one another and of the Board as a whole. It goes beyond the Board of Directors job description and focuses on behaviour as opposed to specific duties. It is important to note that the organization's Board of Directors also includes officers that may not be Directors including the Treasurer and Executive Director & CEO and this policy shall apply to the noted individuals.

Whenever a Board member has a conflict of interest or perceived conflict of interest with the Association, they shall call such conflict to the attention of the Board of Directors.

After identifying the issue, matter or transaction with respect to which a conflict exists, a Director or Officer with a conflict shall withdraw from any further involvement in that issue, matter or transaction unless a majority of the disinterested Directors shall determine that the conflict is:

- i) immaterial or not adverse to the interests of CMIC or
- ii) the benefits of allowing the person with the conflict to participate in the discussion or consideration, but not the final decision, outweigh the dangers; in which case the person may participate in the discussion, study or consideration of the issue, matter or transaction, but not the final discussion, decision or vote.

It is the duty of each Board Director to disclose any conflict of interest they are aware of the Board of Directors.

A Director who is uncertain as to whether they may have a conflict should ask the Chair or the Vice-Chair & Secretary or Treasurer for an opinion. The Chair or Vice-Chair shall issue a written opinion which shall be presumed to be correct and may be relied upon unless challenged by another Board Director, in which case the final decision as to whether a conflict exists shall be made by the Board of Directors. The Chair, Vice-Chair and Executive Director & CEO shall be advised of every opinion issued. Opinions shall, to the extent possible, avoid the disclosure of personal information while, at the same time, disclosing the basis for the opinion. Copies of all opinions will be retained and made available to the Board upon request to permit and encourage consistency.

The minutes of the meeting at which the disclosure of any conflict is made shall reflect that the disclosure was made and whether the person with the conflict withdrew, after making full disclosure of the matter in question and the conflict, and was not present for the final discussion of the matter and any vote thereon.

A conflict of interest exists when:

- Any Director or close relative of a Director or the employer of either of the foregoing has an interest in an issue, matter or transaction in which CMIC has an interest; or
- When any Director or a close relative of a Director acts as an agent, representative or spokesperson for any person, business, group or organization, in order to influence CMIC on any issue, matter or transaction.

An individual or organization has an interest for purposes of this policy if he, she or it: (1) is an agent for a person or organization with an identified goal of influencing a decision by the Association; or (2) would experience a material economic gain or loss from a decision by the Association on an issue, matter or transaction identifiably different from the economic gain or loss that would be experienced by (a) a member of the general public, (b) the holder of less than five percent (5%) of the equity in any business entity, or (c) a non-exempt employee of the Association.

Someone is considered a close relative if they are a spouse, a child, natural or adoptive parent, grandparent, grandchild, brother or sister where natural, adoptive or by marriage of a Director. The term also includes any other family member who resides in the same household as a Director or shares living quarters with a Director under circumstances that closely resemble a marital or partner relationship.

In addition to the foregoing, Directors should not:

- (a) Use inside information (i.e. information made available to them because of their position as a Director which is proprietary or confidential or otherwise not generally known to the public) for their personal advantage or that of any close relative.
- (b) Accept any service, discount, concession, fee for advice or service or thing of value from any person or organization with an interest in an issue, matter or transaction in which the Association also has an economic or programmatic interest under circumstances that would suggest an obligation of the part of the Director to exert any influence on the Association to enter into a transaction or adopt, alter or abolish any policy on position.

All Board Directors will be given a copy of this policy and be asked to read and sign it.

2. Reason for Policy

To ensure that the Board of Directors is clear on what constitutes a conflict of interest.

3. Who Should Know This Policy

The Chair, Vice-Chair & Secretary-Treasurer and Board of Directors as well as the Executive Director & CEO and other delegated staff and volunteer authorities as appropriate.

4. Procedures

This policy will be referenced by the noted volunteers from time-to-time and by staff on a regular basis. The Board of Directors will review this policy on an annual basis.

5. Related Information

This policy replaces all previous policies established by the Board of Directors or its designate.

6. Special Situations

It is not anticipated that an important circumstance or circumstances will occur to negate or invalidate this policy. In the event that this circumstance or circumstances occur, the Board of Directors has sole responsibility and authority to negate or invalidate this policy and replace it with another relevant policy.