Conflict of Interest Policy – Board of Directors
Policy Category: Legal – Governance
Approval: Board of Directors

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Policy Statement

Promoting public confidence in the Seniors Villa East Ferris (SVEF) is the responsibility of every director. All directors must understand that their individual decisions can have an impact on SVEF's success and reputation.
Therefore, in carrying out their duties, directors are expected to promote SVEF's core values and to observe a high standard of honesty, integrity, accountability, and ethics.
Our tenants, suppliers, partners, and employees have placed their trust in SVEF.
The board's business decisions must withstand rigorous scrutiny by our stakeholders and the public. Directors must act accordingly and avoid even the appearance of improper behaviour.
This policy sets out the expectations placed on directors related to conflicts of interest, including how to identify and resolve a conflict of interest. SVEF wishes to establish clear standards to address real, potential, and perceived conflicts of interest; to protect the integrity of the corporation's decision-making processes; and to provide a means to identify and resolve such conflicts of interest in favour of SVEF's best interest.

Although this policy does not address every issue that may arise, it sets out basic expectations placed on directors and offers guiding principles to achieve these expectations when directors interact with stakeholders, including tenants, competitors, partners, and other directors.

Conflicts of interest can sometimes be subtle. Directors must therefore act as soon as a situation raises doubts.
Should directors have any questions or need any clarification about this Policy, they should consult with the President of SVEF

Scope

This policy applies to all members of the Boards of Directors of SVEF as well as non-Director members of SVEF committees and subcommittees.

Definitions

Arm's Length Relationship: the relationship between a director and any tenant, and/or supplier to SVEF who is not a member of that Director's immediate family.

Conflict of Interest: any situation in which a director's personal or business interests may compete or appear to compete with their duties as a director of SVEF or may cause the director to act contrary or appear to act contrary to the best interests of SVEF.

A conflict of interest can be one or more of the following types:

- **Actual Conflict:** a conflict of interest that the director has, or will have, at the present time.
- **Potential Conflict:** any situation which may lead or have the potential to lead to a conflict of interest in the future.
- **Apparent Conflict:** any situation which could reasonably be perceived as a conflict of interest by others, regardless as to whether there is an actual conflict of interest.

Immediate Family Member: means current spouse, children, stepchildren, parents, stepparents, brother, sister, stepbrother, stepsister, spouse of brother or sister, daughter in-law, son in-law, grandparents, grandchildren, parents of current spouse and brother or sister of current spouse.

Policy Details

Directors must not enter into any situation, arrangement or agreement that results or could result in a conflict of interest (actual, potential, perceived or apparent) and should arrange their personal and business affairs to ensure that any conflicts

of interest are avoided.
Directors should consider any advantage their position at SVEF may give them, whether it be the power to influence decisions, their ability to use company resources, or their access to information about the company and others.
In deciding whether their actions could result in a conflict of interest, directors are expected to consider how their actions will be seen by their colleagues or the public.

1. Financial and Business Transactions

Directors shall avoid financial transactions between themselves and SVEF, themselves and a third party, or SVEF and a third party that may adversely affect the performance of their duties or confer a personal or business advantage on them. This includes transactions involving entities of which a director, his or her family member or friend, is a director, trustee, officer, committee member, or has a substantial financial interest through ownership or control.

Directors shall avoid investing, directly or indirectly, in any property in which SVEF has, or to their knowledge is considering, an investment. A director shall use special caution to avoid purchases and sales of any property that may be interpreted as attempting to profit from special knowledge of the SVEF's investment or development operations, or other confidential information obtained by reason of the director's duties.

If the director is, or seeks to be, a director, officer, or employee of a company (or if the director has a financial interest in the company) that has business dealings with SVEF, this is a conflict of interest.

If a director (or a family member, friend or business associate of the director) has a financial interest in a company that has business dealings with SVEF, and the director is involved in any process related to a business transaction involving the company, this will be a conflict of interest.

2. Personal Relationships

Directors should always maintain a professional relationship with other directors and all the people with whom SVEF has dealings. This includes residents, tenants, commercial tenants, contractors, suppliers, and vendors. However, SVEF acknowledges that some directors will develop or have existing relationships with such individuals. Directors must take all reasonable steps to manage these relationships, so the director is not placed in a conflict-of-interest position (actual, potential, or apparent).

If a director is involved in the hiring process for, or will supervise, family, friends, or business associates (past current), his will also be a conflict of interest.

3. Handling of Complaints

The board recognizes the value, commitment, and support of its tenants and the general public towards its mandate. Directors should welcome the comments, suggestions, and complaints provided by tenants, the public, and other stakeholders made in good faith towards improving SVEF. If a director receives a complaint or comment from a tenant or member of the public, the following protocol shall apply:

a) For complaints or comments about the operations or policies of SVEF:
   i. The complaint should be forwarded to the President for appropriate handling and response. The director may notify the complainant of such forwarding.
   ii. Directors should not communicate with SVEF staff for the purpose of influencing or interfering in the equal and fair administration of SVEF repairs, programs, or operations.
b) For complaints or comments relating to the integrity of a SVEF staff member, the complaint should be forwarded to the President.
c) For complaints or comments relating to the integrity of a director, the complaint should be forwarded to the President of SVEF to discuss with the Executive Committee
d) For complaints or comments relating to the integrity of the President, the complaint should be forwarded to the Vice-President of SVEF to discuss with the Executive Committee

4. Outside Activity

a) Other Board/Committee Positions

If a director accepts a position on a board or committee of a commercial or non-profit entity, timely disclosure of this involvement must be made to SVEF, to assist SVEF in preventing any conflicts of interest between the two entities. For example, accepting a board position with a SVEF supplier or competitor would be a conflict.

b) Political Involvement and Charitable Activity

SVEF respects a director's right to be involved in the political process and community activity, subject to the possible requirement of taking a leave of absence from the Board as described in paragraph 12 below. When a director engages in political or civic affairs, the director's views and actions are his or her own, not those of SVEF. Please note that any statements made must not be attributed to SVEF.

5. Exclusivity and Business Opportunities

During his or her tenure, a director may come across business opportunities that have potential for exploitation. However, when a director acts on behalf of SVEF, these opportunities belong to SVEF, not to the director personally. Any business opportunities of any kind whatsoever and howsoever arising and relating to the business of SVEF that become known to the director during the term of his or her directorship belong to the SVEF and shall be pursued for the benefit of SVEF only.

6. Reporting and Resolving a Conflict of Interest

a. What should a director with a conflict of interest do?

A director must make a timely and full disclosure of any actual, potential or apparent conflict of interest. Whenever a director determines that a conflict of interest may exist, or is in doubt about the appropriate application of this Policy, the director shall report in writing the facts and circumstances of the matter to the President of SVEF and shall govern themselves in accordance with the instructions received from the President in consultation with the Executive Committee except as otherwise directed by those instructions, the director shall not participate in any discussion or decision relating to such matter. In event the President has a conflict of interest to disclose, the Board Secretary/Treasurer shall determine the matter in consultation with the Board Vice Chair. In the event of a conflict of interest, unless and until such director receives contrary instructions from the President of SVEF as appropriate, the following procedures shall apply:

• The director shall not participate in any formal or informal discussion of, any decision or vote on, or attempt to exert influence over the contract, relationship, person or organization with respect to which the conflict may relate. Such a director who is a director may be counted on establishing a quorum for meetings.

• The director shall temporarily recuse himself or herself from meetings in order to allow the remaining persons or members of the Board or Committee to engage in a full discussion regarding the contract, relationship, individual or organization in question. If a vote is taken, then such director shall abstain from voting and the minutes of the Committee, or the Board meeting shall record this fact.

b. When must directors disclose conflicts of interest?

When they join the Board of Directors, directors shall submit a statement concerning any conflicts of interest. They should disclose all conflicts of interest that they know about and the nature and extent of such conflicts of interest. In addition, they must sign the Arm's Length Declaration and disclose any non-arm's length relationship with tenants of Seniors Villa, within 10 days of joining the Board.

For conflicts of interest after that time, they should disclose them no later than the first Board of Directors meeting following the moment where they realized they had a conflict of interest.

c. What information do directors have to disclose?

Directors must disclose the nature, value of and any relevant details of the conflict of interest.

7. Documentation of Conflicts

The minutes of any meeting at which a transaction or matter involving a conflict of interest or an appearance of a conflict of interest is considered shall reflect that the director made disclosure, withdrew from consideration of the transaction or matter, and recused him or herself from the meeting room and abstained from voting on the transaction or matter.

8. Failure to Disclose a Conflict and Remedies

If the Board or a Committee has reasonable cause to believe that a director has failed to disclose the conflict of interest, it shall inform the President of SVEF of the basis for such belief. The President of SVEF shall afford such director an opportunity to explain the alleged failure to disclose. If, after hearing the response and making such further investigation as may be warranted by the circumstances, the President of SVEF in consultation with the Executive Committee determines that such director has in fact failed to disclose a conflict of interest, the Executive Committee shall take appropriate action, which may include recommendation to the Board for removal of such director from the Board, as well as reconsideration of whether the transaction or arrangement was in the best interests of and fair and reasonable to SVEF at the time it was undertaken.

9. Leave of Absence

Directors must notify the President of SVEF to request a leave of absence. Directors must be on an approved leave of absence to:

a. Seek a provincial or federal candidacy nomination or participate as a candidate in a municipal, provincial or federal election campaign, where the nomination process or the candidacy may conflict with the interests of SVEF or may adversely affect the performance of the director's duties.

b. Apply for a position within SVEF.

c. Any other event that may conflict with the interests of SVEF or may adversely affect the performance of the director's duties.

Compliance and Monitoring

Directors must always comply with this Policy. Directors should always use proper judgment and act in the spirit of this Policy.

Contravention of this Policy is a serious matter. Non-compliance includes failing to declare a conflict of interest in accordance with this Policy. In some cases, non-compliance can also lead to legal action by SVEF.

Governing and Applicable Legislation

- Ontario Not for Profit Corporations Act

Related Policies and Procedures

- Tenant Selection Policy
- Director Arm's Length Declaration

Commencement and Review

Revision	Date	Description of changes	Approval
First approval:	Feb 2023		Board of Directors
Revision #1			Board of Directors
Last review:			