

CCSAM CONFLICT OF INTEREST POLICY **Ratified by the Board on November 4, 2004**

Purpose

1. The purpose of this policy is to describe how members of Cross Country Ski Association of Manitoba (CCSAM) will conduct themselves in matters relating to conflicts of interest, and to clarify how CCSAM will make decisions in situations where conflicts of interest may exist.

Definition of Conflict of Interest

2. Conflicts of interest include both pecuniary and non-pecuniary interests. A pecuniary interest is an interest that an individual may have in a matter because of the reasonable likelihood or expectation of financial gain or loss for that individual, or another person with whom that individual is associated. A non-pecuniary interest may include family relationships, friendships, volunteer positions in associations or other interests that do not involve the potential for financial gain or loss.

Application

3. This policy applies to directors, officers, employees, contractors, committee members, volunteers and other decision-makers within CCSAM (hereafter referred to as "Representatives" of CCSAM).

Statutory Obligations

4. CCSAM is incorporated under the Manitoba Corporations Act and is governed by the Act in matters involving a real or perceived conflict between the personal interests of a director or officer (or other individual involved in decision-making or decision-influencing roles) and the broader interests of the corporation.

5. Under the Act, any real or perceived conflict, whether pecuniary or non-pecuniary, between a director's or officer's interest and the interests of CCSAM must at all times be resolved in favour of CCSAM.

Additional Obligations

6. In addition to fulfilling all requirements of the Act, CCSAM and its Representatives will also fulfill the additional requirements of this policy. Representatives of CCSAM will not:

- a) Engage in any business or transaction, or have a financial or other personal interest that is incompatible with their official duties with CCSAM, unless such business, transaction or other interest is properly disclosed in accordance with this policy;

- b) Knowingly place themselves in a position where they are under obligation to any person who might benefit from special consideration, or who might seek, in any way, preferential treatment;
- c) In the performance of their official duties, accord preferential treatment to family members, friends or colleagues, or to organizations in which their family members, friends or colleagues have an interest, financial or otherwise;
- d) Derive personal benefit from information that they have acquired during the course of fulfilling their official duties with CCSAM, where such information is confidential or is not generally available to the public.
- e) Engage in any outside work, activity or business or professional undertaking that conflicts or appears to conflict with their official duties as a representative of CCSAM, or in which they have an advantage or appear to have an advantage on the basis of their association with CCSAM;
- f) Use CCSAM property, equipment, supplies or services for activities not associated with the performance of official duties with CCSAM;
- g) Place themselves in positions where they could, by virtue of being a Representative of CCSAM, influence decisions or contracts from which they could derive any direct or indirect benefit or interest;
- h) Accept any gift or favour that could be construed as being given in anticipation of, or in recognition for, any special consideration granted by virtue of being a Representative of CCSAM.

Disclosure of Conflict of Interest

- 7. On an annual basis, all directors, officers, employees and committee members will complete a written statement disclosing any real or perceived conflicts that they might have.
- 8. At any time that a Representative of CCSAM becomes aware that there may exist a real or perceived conflict of interest, they shall disclose this conflict to the Board of Directors immediately.
- 9. Any person who is of the view that a Representative of CCSAM may be in a position of conflict of interest may report this matter to the Board.

Resolving Conflicts in Decision-making

- 10. Decisions or transactions that involve a real or perceived conflict of interest that has been disclosed by a Representative of CCSAM may be considered and decided upon by CCSAM provided that:
 - a) The nature and extent of the Representative's interest has been fully disclosed to the body that is considering or making the decision, and this disclosure is recorded in the minutes;

- b) The Representative does not participate in discussion on the matter giving rise to the conflict of interest, unless the body considering the matter votes to allow such participation;
- c) The Representative abstains from voting on the proposed decision or transaction;
- d) The Representative is not included in the determination of quorum for the proposed decision or transaction; and
- e) The decision or transaction is in the best interests of the corporation.

Conflicts Involving Employees

11. CCSAM will not restrict employees from accepting other employment, contracts or volunteer appointments during the term of their employment with CCSAM, provided that the employment, contract or volunteer appointment does not diminish the employee's ability to perform the work contemplated in their employment agreement with CCSAM. Any determination as to whether there is a conflict of interest will rest solely with CCSAM, and where a conflict of interest is deemed to exist, the employee will resolve the conflict by ceasing the activity giving rise to the conflict.

Enforcement

12. Failure to adhere to this policy may give rise to discipline in accordance with CCSAM's Code of Conduct and Discipline policy.

Review and approval

13. This policy was approved by the Board of Directors on November 4, 2004 and will be reviewed by the Executive Committee on an annual basis.