

# Conflicts of Interest and Disclosure of Certain Interests Policy

---

This conflicts of interest policy is designed to help directors, officers, and staff of CTC identify situations that present potential conflicts of interest and to provide CTC with a procedure that will allow a transaction to be treated as valid and binding even though a director, officer, or staff has, or may have a conflict of interest with respect to the transaction. In the event there is an inconsistency between the requirements and procedures prescribed herein and those in federal or state law, the law shall prevail. All **italicised terms** are defined in Part 2 of this policy.

## 1. Conflict of Interest Defined.

For purposes of this policy, the following circumstances shall be deemed to create **Conflicts of Interest**:

### A. Outside Interests.

- (i) A **Contract** or **Transaction** between CTC and a **Responsible Person** or **Family Member**.
- (ii) A **Contract** or **Transaction** between CTC and an entity in which a **Responsible Person** or **Family Member** has a **Material Financial Interest** or of which such person is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator, or other legal representative.

### B. Outside Activities.

- (i) A **Responsible Person** competing with CTC in the rendering of services or in any other **Contract** or **Transaction** with a third party.
- (ii) A **Responsible Person** having a **Material Financial Interest** in; or serving as a director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator, or other legal representative of, or consultant to; an entity or individual that competes with CTC in the provision of services or in any other **contract** or **transaction** with a third party.

### C. Gifts, Gratuities and Entertainment.

- (i) A **Responsible Person** accepting gifts, entertainment, or other favours from any individual or entity that:
  - (ii) does or is seeking to do business with, or is a competitor of CTC or;
  - (iii) has received, is receiving, or is seeking to receive a loan or grant, or to secure other financial commitments from CTC;
  - (iv) is a charitable organisation;

Under circumstances where it might be inferred that such action was intended to influence or possibly would influence the **Responsible Person** in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value that is not related to any particular transaction or activity of CTC and in every instance is reported to the General Manager of CTC.

## 2. Definitions.

- A. A *Conflict of Interest* is any circumstance described in Part 1 of this Policy.
- B. A *Responsible Person* is any person serving as an officer, employee, or member of the board of directors of CTC.
- C. A *Family Member* is a spouse, domestic partner, parent, child, or spouse of a child, brother, sister, or spouse of a brother or sister, of a Responsible Person.
- D. *Material Financial Interest* in an entity is a financial interest of any kind that, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect a Responsible Person's or Family Member's judgment with respect to transactions to which the entity is a party. This includes all forms of compensation. (The board will establish an amount that it would consider to be a "material financial interest.")
- E. A *Contract* or *Transaction* is any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant, the establishment of any other type of pecuniary relationship, or review of a charitable organisation by CTC. The making of a gift to CTC is not a Contract or Transaction.
- F. [Conflict of Interest Register](#) is a register containing all potential conflicts of interest.

## 3. Procedures.

- A. Before the CTC Board action on a **Contract** or **Transaction** involving a **Conflict of Interest**, a Director having a **Conflict of Interest** and who is in attendance at the meeting shall disclose all facts material to the Chair. Such disclosure shall be reflected in the minutes of the meeting and placed in the **Conflict of Interest Register**.
- B. A Director who plans not to attend a meeting at which he or she has reason to believe that the Board will act on a matter in which the person has a **Conflict of Interest** shall disclose to the Chair of the meeting all facts material to the **Conflict of Interest**. The Chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting and placed in the **Conflict of Interest Register**.
- C. A person who has a **Conflict of Interest** shall not participate in or be permitted to hear the Board's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- D. A person who has a **Conflict of Interest** with respect to a **Contract** or **Transaction** that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a **Conflict of Interest** may not vote on the **Contract** or **Transaction** and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.
- E. **Responsible Persons** who are not members of the Board of Directors of CTC, or who have a **Conflict of Interest** with respect to a **Contract** or **Transaction** that is not the subject of board action, shall disclose to the Chair or the Chair's designee any **Conflict of Interest** that such **Responsible Person** has with respect to a Contract or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the **Responsible Person**. The **Responsible Person** shall refrain from any action that may affect CTC's participation in such **Contract** or **Transaction**.
- F. In the event it is not entirely clear that a **Conflict of Interest** exists, the individual with the potential conflict shall disclose the circumstances to the Chair or the Chair's designee, who shall ensure that the potential conflict is registered in the **Conflict of Interest Register** and determine whether there exists a **Conflict of Interest** that is subject to this policy.

## 4. Confidentiality.

Each **Responsible Person** shall exercise care not to disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of CTC. Furthermore, a

**Responsible Person** shall not disclose or use information relating to the business of CTC for the personal profit or advantage of the **Responsible Person** or a **Family Member**.

Review of Policy.

- A. Each new **Responsible Person** shall be required to review a copy of this Policy and to acknowledge in writing that he or she has done so.
- B. Each **Responsible Person** shall annually complete a Declaration of Conflict of Interest Form ([F-1819](#)) identifying any relationships, positions, or circumstances in which the **Responsible Person** is involved that he or she believes could contribute to a **Conflict of Interest** arising. Such relationships, positions, or circumstances might include service as a director of or consultant to a not-for-profit organisation, or ownership of a business that might provide goods or services to CTC. Any such information regarding business interests of a **Responsible Person** or a **Family Member** shall be treated as confidential and shall generally be made available only to the Chair, the Chief Executive Officer, and any committee appointed to address **Conflicts of Interest**, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.
- C. This policy shall be reviewed annually. Any changes to the policy shall be communicated immediately to all **Responsible Persons**.