Purpose

The purpose of this policy is to describe how members of Special Olympics Manitoba will conduct themselves in matters relating to conflicts of interest, and to clarify how Special Olympics Manitoba will make decisions in situations where conflicts of interest may exist.

Definition of Conflict of Interest

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:

This policy applies to directors, officers, employees, contractors, committee members, volunteers (the "Representatives") and other decision-makers within Special Olympics Manitoba (SOM).

Statutory Obligations:

Special Olympics Manitoba Inc. 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.

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 SOM must at all times be resolved in favour of SOM.

Additional Obligations:

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

- Engage in any business or transaction, or have a financial or other personal interest that is incompatible with their official duties with SOM, unless such

business, transaction or other interest is properly disclosed in accordance with this policy;

- Knowingly place themselves in a position where they are under an obligation to any person who might benefit from special consideration, or who might seek, in any way, preferential treatment;

- 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;

- Derive personal benefit from their position with SOM or from information that they have acquired during the course of fulfilling their official duties with SOM, where such information is confidential or is not generally available to the public.

- 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 SOM, or in which they have an advantage or appear to have an advantage on the basis of their association with SOM;

- Use SOM property, equipment, supplies or services for activities not associated with the performance of official duties with SOM;

- Place themselves in positions where they could, by virtue of being a Representative of SOM, influence decisions or contracts from which they may derive any direct or indirect benefit or interest;

- Accept any gift or favour that could be construed as or in fact is being given in anticipation of, or in recognition for, any special consideration granted by virtue of being a representative of SOM.

<u>Disclosure of Conflict of Interest:</u>

On an annual basis, all Representatives will complete a written statement disclosing any real or perceived conflicts that they might have.

- At any time that a Representative becomes aware that there may exist a real or perceived conflict of interest, they shall disclose this conflict to the Board of Directors or the Executive Director immediately.

Any person who is of the view that a Representative of SOM may be in a position of conflict of interest may report this matter to the Board or the Executive Director.

In the event the matter is reported to the Executive Director, he/she shall immediately report the matter to the Board.

Resolving Conflicts in Decision-making:

- Prior to the Board taking action on a Contract or Transaction involving a Conflict of Interest, the Representative having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.
- A Representative 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 Representative 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 Board meeting and the disclosure shall be reflected in the minutes of the meeting.
- A Representative 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. The representative shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- A Representative who has a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a Board meeting shall not be counted in determining the presence of a quorum for purposes of the vote.
- The Representative 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. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.

- Representatives who are not members of the Board of Directors of SOM, 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 of the Board or the Executive Director any Conflict of Interest that such Representative has with respect to a Contract or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Representative. The Representative shall refrain from any action that may affect SOM's participation in such Contract or Transaction.

- 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 Executive Director, who shall determine whether there exists a Conflict of Interest that is subject to this policy.

Conflicts Involving Employees

SOM will not restrict employees from accepting other employment, contracts or volunteer appointments during the term of their employment with SOM, 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 SOM. Any determination as to whether there is a conflict of interest will rest solely with SOM, 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

Failure to adhere to this policy may give rise to discipline in accordance with the SOM Code of Conduct and Discipline policies.

Review and approval

This policy was approved by the Board of Directors on March 19, 2005 and will be reviewed by the Executive Committee on an annual basis.