

## STRAUSS SAMPLE POLICY STATEMENT

### **Conflict of Interest**

#### POLICY

Each member of the Board of Directors has a duty of loyalty to XYZ Association. In furtherance of this duty, it is the policy of XYZ Association that directors may not use their position as directors for personal, family, or professional gain. Directors may not obtain for themselves, their relatives, or their friends a financial or material interest of any kind from their connection with XYZ Association.

Each director has a duty to give undivided allegiance to XYZ Association when making decisions affecting XYZ Association and in any transactions, dealings, or situations involving XYZ Association. In furtherance of these obligations, XYZ Association has adopted this Conflict of Interest Policy and Procedures applicable to its directors.

#### APPLICATION OF POLICY

1. No Board member, or his or her spouse, spousal equivalent, or dependent child, shall enter into any business arrangement with XYZ Association in which they have an interest directly or indirectly except:
  - on a written and competitive sealed quotation basis; and
  - having declared any interest therein, and the applicable member having refrained from voting thereon.
2. Any Board member having a conflict of interest shall declare the details of that conflict before discussion of the question to the Chair and absent him/herself from the portion of the meeting during which discussion or voting affected by that conflict takes place. Such conflicts of interest include, but are not limited to:
  - any question affecting a private corporation of which the Board member or his/her immediate family (spouse, spousal equivalent or dependent child), is a shareholder or a public corporation in which he/she or immediate family holds more than five percent of the number of voting securities issued (excluding mutual funds);
  - any question affecting a partnership or firm of which he/she is a member;
  - any question affecting an organization of which he/she is a Board member;
  - any question in which the Board member or a member of his/her immediate family (defined as spouse, spousal equivalent or dependent child) has a direct or indirect financial interest;

- any question affecting an individual in which the board member's ability to consider the question free of bias may be or appear to be compromised;
  - any examination appeal or ethics case in which there is a previous relationship between themselves and the involved parties that may affect their opinion;
  - any other matter in which the Board member's ability to act in the best interest of the organization may be or appear to be compromised by a personal or professional outside interest.
3. Board members shall not accept gifts, entertainment or other favours having a value of greater than \$50 that could not be refused without discourtesy, to avoid the appearance of a conflict of interest.
  4. The minutes must record all declarations of conflict of interest. Records for ethics cases and exam appeals shall also note any declarations of conflict of interest.
  5. In addition, Board members shall be required to sign and update the policy disclosure form at the beginning of Board calendar year. Failure to update or sign the policy disclosure form, however, does not nullify his/her obligations under this policy.

**ANNUAL STATEMENT CONCERNING POSSIBLE CONFLICT OF INTEREST**

The undersigned acknowledges receipt of a copy of XYZ Association's Conflict of Interest Policy Statement.

By my signature affixed below, I acknowledge my agreement with the spirit and intent of these policies and, I agree to report to the Chair any possible conflicts (other than those stated below) that may develop before completion of the next annual statement.

\_\_\_\_\_ I am not aware of any conflict of interest.

\_\_\_\_\_ I do or may have a conflict of interest in the following area(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(please use additional pages if necessary)

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

