

## Conflict of Interest Guidelines

The Association must make every effort to ensure that its decisions are fair and objective. No individuals with a conflict of interest as defined in this policy may participate in the review of an application or decisions regarding the granting of research funds except as specifically outlined in this policy. Therefore, individuals who have an application, either as an individual or as a member of another organization, before the RAC (or its Technical Advisory Committees or like sub-delegates), Board of Directors or other relevant committee shall limit their participation in meetings in manner set out in the Procedures section below.

In order to provide greater clarity in interpreting the general principles outlined in this policy, the following examples are given where an individual must declare a conflict of interest and also leave the room when an application for funding is being considered:

Note the circumstances listed below are not exhaustive and are intended to simply provide further guidance.

- Has been, or would be, directly involved in the project (e.g. as a current or past advisory board member, consultant, collaborator, or conference speakers whose expenses would be paid from the grant),
- Has collaborated academically or in research matters, published or been a co-applicant with the applicant, within the last five years,
- Serves as an officer, director, member, owner, trustee, expert, advisor, consultant (with or without compensation), or employee of an applicant or other organization that would be affected financially by his or her decision,
- Is employed by the same institution or organization as the applicant or was employed there within the past year, (\*although not considered a conflict of interest, directors in these circumstances are expected to withdraw from any discussion/decision regarding an application from his/her organization),
- Is or has been under consideration for a position at the applicant's organization or institution within the last two years,
- Has served as an officer, director, member, owner, trustee, expert, advisor, consultant (with or without compensation), or employee with the applicant's organization within the past year,
- His/her organization has members or closely affiliated officials (e.g. board of trustee members) who serve as an officer, director, member, owner, trustee, expert, advisor, consultant (with or without compensation), or employee with the applicant's organization or institution,
- Has been a student, advisor or supervisor of the applicant or other key personnel identified in the application within the last ten years,
- Is a close personal friend or relative of the applicant,
- Has had long-standing scientific or personal differences with the applicant,
- Has immediate family or household members who are in a position to gain or lose financially from the outcome of the application (e.g. hold stock in the company of an industry partner or a competitor),

- Has a proposal planned for submission to the Association or currently under review by the Association within the same subject area as the proposed project,
- Is currently involved in a project closely associated with the proposed project,
- For some other reason feel that they cannot provide an objective review of the application,

Other circumstances (beyond those itemized in the guidelines above) may give rise to actual, potential or perceived conflicts of interest. If an individual has concerns about whether or not a situation presents a conflict of interest, he/she should consult the Chair of the RAC or the Board Chair, as the case may be, who will help to determine whether or not particular circumstances give rise to a conflict of interest.

In the event that the issue cannot be resolved by the RAC Chair or the Board Chair respectively, the question of whether or not particular circumstances present a conflict of interest will be referred to the board of directors for determination via majority resolution. In the event that an actual, potential or perceived conflict of interest is found to exist, the procedures for disclosure and withdrawal outlined in the Procedures section of this policy will apply.

### ***Procedures***

- At the start of any meeting, the Chair (committee chair or board chair, as the case may be) poll the directors, officers, employees and committee members on whether or not they have any conflicts of interest. The results of that poll will be recorded in the minutes of the meeting. If an individual finds that a conflict of interest becomes apparent only as the meeting progresses, the nature of the conflict should be declared as soon as practicable to the Chair.
- Contractors are to disclose conflicts to the Association's Treasurer and/or the Board Chair who will in turn bring the declaration to the attention of the board of directors.
- Except as set out in section e. when a director or a member of a Committee is asked to decide or advise on the granting of funds for a project or program of research proposed by an individual or group within an organization with which they are a member, they are required to withdraw from discussion and refrain from voting.
- An individual with a declared conflict of interest will be required to withdraw from the meeting for the discussion and vote of the application or matter giving rise to the conflict.
- In the event that, despite a real, potential or perceived conflict, it is felt to be essential that an individual with a declared conflict of interest must participate in a discussion (e.g. where the individual is the only available source of expertise needed to inform the decision-making process), that person may be permitted to participate in the discussion of the application or matter giving rise to the conflict. The individual in question should participate to the minimal extent required, and in any event shall not vote on the application or other matter being discussed. This option only applies where the individual does not plan to work on the project under consideration. Where such an exception is made, it must solely be on the grounds that the value to the quality and integrity of the application review process of the individual in question may be deemed to outweigh any residual suggestion of conflict arising from the declared conflict of interest.
- Notwithstanding any of the above, an individual may voluntarily choose to withdraw from the discussion of a proposal at any time if s/he wishes to do so. This may arise for a number of reasons as discussion of the proposal develops. The meeting secretary should record in the minutes the point at which an individual ceases to take part in the discussion and leaves the meeting.

- g. If there is any doubt about whether the decision to remain involved is defensible to a reasonable member of the public, then the individual should absent themselves or be asked by the Chair to leave the meeting.
- h. Following the conclusion of any review of applications by the RAC, the Committee Chair shall report to the board of directors the number of conflict of interest issues which were identified and a summary of how they were dealt with by the Committee.

***Consequences***

Where a breach of this conflict of interest occurs, decisions may be called into question and the actions of those involved subject to further scrutiny. Disciplinary action, requests for resignation and prohibition against future involvement with the Association are among the potential consequences for individuals who contravene this policy.

# Appendix A – Canada Corporations Act – Conflict of Interest

1. Subject to this section, it is the duty of a **director** of a company who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the company to **declare his interest at a meeting of directors** of the company.
2. In the case of a proposed contract the declaration required by this section to be made by a director shall be made **at the meeting of directors at which the question of entering into the contract is first taken into consideration**, or, if the director is not at the date of that meeting interested in the proposed contract, at the next meeting of the directors held after they become so interested, and, in a case where the director becomes interested in a contract after it is made, the declaration shall be made **at the first meeting of directors held after the director becomes so interested**.
3. For the purposes of this section, a **general notice given to the directors** of a company by a director to the effect that he is a shareholder of or otherwise interested in any other company or is a member of a specified firm and is to be regarded as interested in any contract made with such other company or firm shall be **deemed to be a sufficient declaration of interest** in relation to any contract so made.
4. **No director shall vote in respect of any contract or proposed contract in which they are so interested as aforesaid and if they do so vote their vote shall not be counted**, but this prohibition does not apply
  - a. in the case of any contract by or on behalf of the company to give to the directors or any of them security for advances or by way of indemnity,
  - b. in the case of a private company, where there is no quorum of directors in office who are not so interested, or
  - c. in the case of any contract between the company and any other company where the interest of the director in the last-mentioned company consists solely in their being a director or officer of such last-mentioned company, and the holder of not more than the number of shares in such last-mentioned company requisite to qualify them as a director.
5. A director who has made a declaration of their interest in a contract or proposed contract in compliance with this section and has not voted in respect of such contract contrary to the prohibition contained in subsection (4), if such prohibition applies, is not accountable to the company or any of its shareholders or creditors by reason only of such director holding that office or of the fiduciary relationship thereby established for any profit realized by such contract.
6. For the purposes of this section “contract” includes “arrangement” and “meeting of directors” **includes a meeting of an executive committee** elected in accordance with section 96.
7. Nothing in this section imposes any liability upon a director in respect of the profit realized by any contract that has been confirmed by the vote of shareholders of the company at a special general meeting called for that purpose.

(Emphasis added.)