

## CODE OF CONDUCT AND CONFLICT OF INTEREST GUIDELINES FOR COUNCILLORS

### I. INTRODUCTION

- A.** The fundamental relationship between a councillor and the Canadian Medical Protective Association (CMPA) must be one of trust; essential to trust is a commitment to honesty and integrity. Ethical conduct within this relationship imposes certain obligations.
- B.** This Code mirrors the *CMPA's Code of Conduct and Conflict of Interest Guidelines* for employees.

### II. COMPLIANCE WITH THE LAW

- A.** The behaviour of organizations is continually under public scrutiny. Therefore, councillors must not only comply fully with the law, but must also avoid any situation which could be perceived as improper or indicate a casual attitude towards compliance.
- B.** CMPA Councillors must act at all times in full compliance with both the letter and the spirit of all applicable laws and human rights legislation.
- C.** In their relationship with the CMPA, no councillor shall commit or condone an unethical or illegal act or instruct another councillor or employee, CMPA member or supplier to do so.
- D.** Councillors are expected to be sufficiently familiar with any legislation that applies to their work, to recognize potential liabilities, and to know when to seek legal advice. If in doubt, councillors are expected to ask for clarification via the President.
- E.** Falsifying the record of transactions is unacceptable.

### III. CONFLICTS OF INTEREST

- A.** The CMPA expects councillors to perform their duties conscientiously and in a manner which will not put their personal interests in conflict with the best interests of the CMPA.
- B.** In general, a conflict of interest exists for councillors who use their position at the CMPA to benefit themselves, friends or families.
- C.** Every councillor must avoid any situation in which there is, or may appear to be, potential conflict which could appear to interfere with the councillor's judgment in making decisions in the CMPA's best interest. Prior to joining council, candidates successfully elected to council may be required to step down from an appointment or discontinue certain activities that could result in a perceived or real conflict of interest. Examples include serving on a disciplinary committee of a medical regulatory authority, serving as an expert witness, serving on a negotiations committee, or as board member of a provincial or territorial medical association, etc.
- D.** There are several situations that could give rise to a conflict of interest. The most common are accepting gifts, favours, or kickbacks from suppliers, close or family relationships with outside suppliers, passing confidential information to competitors, and using privileged information inappropriately.
- E.** Some conflicts are clear-cut; but others are less obvious. The CMPA recognizes its councillors have legitimate outside interests; however, there may also be situations that could be seen as a conflict of interest no matter how innocent the intentions of the councillor.

For example, the CMPA considers that acting as an expert in legal matters (civil actions, College matters, hospital matters, etc.) may compromise the rights of a CMPA member and creates the potential for conflict of interest. Councillors should refrain from providing expert opinion, written or oral, in any matter in which the CMPA is involved in the defence of a member. Sometimes councillors may have undertaken this role prior to being elected to council. In such a case, the councillor is encouraged to seek advice and direction from the president or the executive director.



- F.** The CMPA requires full disclosure of all circumstances that could conceivably be construed as conflict of interest. A councillor may refer an individual situation to the president or the executive director who may recommend any actions needed to eliminate a conflict of interest. Full disclosure enables councillors to resolve unclear situations and gives an opportunity to dispose of conflicting interests before any difficulty can arise.

#### IV. OUTSIDE BUSINESS INTERESTS

- A.** Councillors must declare possible conflicting outside business activities at the time of submission of documentation when seeking nomination to council. Notwithstanding any outside activities, councillors are required to act in the best interest of the CMPA.
- B.** No councillor may hold a significant financial interest, either directly or through a relative or associate, or hold or accept a position as an officer or director in an organization in a relationship with the CMPA, where by virtue of his or her position in the Association, the councillor could in any way benefit either organization by influencing the purchasing, selling or other decisions, unless that interest has been fully disclosed.
- C.** A “significant financial interest” in this context is any interest substantial enough that decisions of the CMPA could result in gain for the councillor.
- D.** These restrictions apply equally to interests in companies that may compete with the CMPA in all of its areas of activity.

#### V. CONFIDENTIAL INFORMATION

- A.** “Confidential Information” means all of the information and data of, or relating to, the business or operations of the CMPA, and may be in any form such as written, electronic, or hard copy. Confidential information does not include any information or data that is or becomes publicly known without breach of a confidentiality agreement. Confidential information includes proprietary, technical, business, financial, legal, human resource, member, and councillor information which the CMPA treats as confidential.
- B.** Councillors will be required to hold and treat all confidential information in the utmost confidence. Without limiting the generality of the foregoing:
- (i) The councillor shall not, without the prior express consent of the CMPA, disclose any confidential information in any manner whatsoever, in whole or in part, to any outside person unless authorized, or as may otherwise be required by law, and then only to the extent of such requirement.
  - (ii) The councillor shall take all reasonable precautions, as referenced in the *Information Technology Services (ITS) End User Security Policies* and *CMPA Information Security Classification Quick Reference Guide*, to prevent inadvertent disclosure, use, copying, transfer, or destruction of any confidential information. For example, councillors are required to follow information handling procedures pertaining to security marking, transmission, access and disclosure, storage, and destruction of CMPA documents, among other precautions.
  - (iii) The councillor shall use best efforts to follow all security and privacy policies of the CMPA.
- C.** Similarly, councillors may never disclose or use confidential information gained by virtue of their association with the CMPA for personal gain or to benefit friends, relatives, or associates.
- D.** The CMPA will provide guidance with respect to what is considered confidential information. Councillors are advised to seek guidance from the CMPA with respect to what is considered confidential.

#### VI. INVESTMENT ACTIVITY

Councillors may not, either directly or through relatives or associates, acquire or dispose of any interest, including publicly traded shares, in any company while having undisclosed confidential information obtained in the course of work at the CMPA which could reasonably affect the value of such securities.



## VII. CORRUPT PRACTICES

Councillors must represent and warrant on an annual basis in the Councillor Acknowledgement Form that they have not been convicted of any criminal offense or been found liable for engaging in corrupt practices including in relation to acts of fraud, bribery, embezzlement, fraudulent conversion or misappropriation of property, or violation of anti-corruption laws, including the Corruption of Foreign Public Officials Act (“Corrupt Practices”). Councillors must promptly disclose to the President or Executive Director any conviction or finding for Corrupt Practices when they occur.

## VIII. OUTSIDE EMPLOYMENT OR ASSOCIATION

No CMPA councillor may accept a position with a competitor or any organization that could foreseeably lead to or be seen to be a conflict of interest or situation prejudicial to CMPA interests.

## IX. NON-PROFIT AND PROFESSIONAL ASSOCIATIONS

**A.** The CMPA supports its councillors who contribute to their communities through involvement with charitable, community service and professional organizations. However, councillors should only use CMPA time or resources for such activities with the prior agreement of the president or the executive director.

**B.** From time to time, individual councillors reach positions of leadership in non-profit associations where they may be viewed as spokespersons for those groups. In such situations, the individuals should ensure they are seen as speaking for their organization or as individuals, and not as councillors or spokespersons of the CMPA.

## X. ENTERTAINMENT, GIFTS, AND FAVOURS

**A.** It is essential to efficient business practices that all those who associate with the CMPA, as suppliers, contractors or members, have access to the CMPA on equal terms.

**B.** Councillors and members of their immediate families should not accept entertainment, gifts, or favours that create or appear to create a favoured position for doing business with the CMPA. Any firm offering such inducement shall be asked to cease; a sustained business relationship will be conditional on compliance with this Code.

**C.** Similarly, no councillor may offer or solicit gifts or favours in order to secure preferential treatment for themselves or the CMPA.

**D.** A councillor may accept modest discounts on a personal purchase of a supplier's or customer's products only if such discounts do not affect the CMPA's purchase or selling price and are generally offered to others having a similar business relationship with the supplier or customer.

**E.** Under no circumstances may councillors offer or receive cash, preferred loans, securities, or secret commissions in exchange for preferential treatment. Any councillor experiencing or witnessing such an offer must report the incident to management immediately.

**F.** Gifts and entertainment may only be accepted or offered by a councillor in the normal exchanges common to established business relationships. A councillor should use reasonable and prudent judgment prior to accepting or making an offer of gifts and entertainment. An exchange of such gifts shall create no sense of obligation.

**G.** Inappropriate gifts received by a councillor should be returned to the donor and may be accompanied by a copy of this code.

**H.** Full and immediate disclosure to the president or the executive director of borderline cases will always be taken as good faith compliance with this code.

## XI. USE OF CMPA PROPERTY

**A.** CMPA assets must not be misappropriated for personal use.

**B.** Councillors are entrusted with the care, management and cost-effective use of CMPA property and should not make significant use of these resources for their own personal benefit or purposes. Clarification on this issue should be sought from the executive director or the president.

**C.** Councillors should ensure all CMPA property assigned to them is maintained in good condition and should be able to account for such property.



D. Councillors may not dispose of CMPA property except in accordance with the guidelines established by the CMPA.

## XII. POLITICAL PARTICIPATION

Prior to seeking nomination and election to political office, a councillor should disclose and seek guidance from the president on the matter. For example, a nomination to run for a provincial or federal office may require resignation from council prior to or upon election, whereas nomination and election to other levels of office such as a municipality or school board may not pose a conflict.

Councillors engaging in the political process must take care to separate their personal activities from their association with the CMPA.

## XIII. RESPONSIBILITY

- A. The CMPA is determined to behave, and to be perceived, as an ethical organization.
- B. Each councillor must adhere to the standards described in this code of conduct, and to the standards set out in applicable policies, guidelines or legislation.
- C. Integrity, honesty, and trust are essential elements of our business success. Any councillor who knows or suspects a breach of this *Code of Conduct and Conflict of Interest Guidelines for Councillors* has a responsibility to report it to the executive director or the president.
- D. To demonstrate determination and commitment, the CMPA requires each Councillor to review the Code of Conduct and sign the Councillor Acknowledgement Form annually, acknowledging and agreeing to comply with the Code of Conduct and Conflict of Interest Guidelines for Councillors. The willingness and ability to sign the Acknowledgement Form is a requirement of all Councillors.
- E. Each new and returning Councillor must participate in the Individual Councillor Personal Professional Development and Support Program, and the Nominating Committee Peer Review Evaluation, if seeking re-election. These programs involve self-reflection and peer feedback on the performance of a Councillor, and are conducted in accordance with the provisions of Tab 9B (Individual Councillor Personal Professional Development and Support Program) and Tab 9C (Nominating Committee Peer Review Evaluation). Participation in this process is a condition of service as a CMPA Councillor.

## XIV. BREACH OF CODE

A member of council found to have breached his/her fiduciary duty by violating the code of conduct will be liable to censure or removal in accordance with Appendix A.

## XV. WHERE TO SEEK CLARIFICATION

The president, executive director, or general counsel will provide guidance on any item in this *Code of Conduct and Conflict of Interest Guidelines for Councillors*. A councillor may then be directed to the sources of information, including relevant policy, or be referred to the appropriate authority.

## XVI. ADHERENCE TO CODE OF CONDUCT AND CONFLICT OF INTEREST GUIDELINES

Upon election and on an annual basis, members of council are required to sign the Councillor Acknowledgement form, acknowledging and agreeing to comply with the *Code of Conduct and Conflict of Interest Guidelines for Councillors*.

At the conclusion of tenure, members of council are required to sign the Councillor Attestation form, confirming the appropriate disposition of all CMPA information in paper and electronic formats, and agreeing to protect CMPA's confidential information from disclosure.