

Policy	Policy #	_____
	Date Approved	November 9, 2018
	Approving Body	Board of Governors
	Responsibility of	Governance Committee of the Board
Subject: CONFLICT OF INTEREST POLICY		

PURPOSE

Quest University Canada (“Quest”) is a private, non-profit, post-secondary institution established by and under the *Sea-to-Sky University Act* (“Act”). The Act establishes a board of governors (“Board”) and provides for the Board to exercise the powers and duties of Quest.

The Board has the power to establish Board Committees, whose membership is not limited to members of the Board.

In this context, a member of the Board (“Governor”) or a non-Governor who is a member of a Board Committee (“Member”) may find that he or she has been placed in a perceived, potential or actual conflict between his or her interests and the interests of Quest (“Conflict”).

This Policy describes the standards and duties and identifies the procedures which are applicable to a Governor and to a Member for the purposes of identifying, avoiding and, where necessary, managing a perceived, potential or actual Conflict.

SCOPE

- 1.1 This Policy applies to all members of the Board of Governors and to all members of Board Committees.

INTERPRETATION AND APPLICATION

- 2.1 When interpreting and applying this Policy to his or her individual circumstances, a Governor or a Member should keep clearly in mind that Quest is registered as a charity under the *Income Tax Act* of Canada. It is a matter of particular concern and importance to Quest that nothing done by a Governor or a Member should call into question Quest’s charitable status.

DEFINITIONS

For the purposes of this Policy,

- 3.1 An interest is any financial or personal factor (“Interest”) which might, in the eyes of an informed third-party exercising reasonable judgment, influence a Governor or a Member in his or her consideration of Quest’s best interests.
- 3.2 A Conflict arises when an Interest of a Governor or a Member, no matter how legitimate, may be inconsistent with any interest of Quest.
- 3.3 No distinction is made between a perceived, potential or actual Conflict.
- 3.4 An Interest includes but is not limited to:
 - A. the Interests of any of the following members of a Governor’s or Member’s family (“Family”):
 - I. a spouse, whether by marriage or at common law (“Spouse”);
 - II. a former Spouse;
 - III. a natural, adopted, or step- child, including the natural, adopted, or step- child of a Spouse or former Spouse;
 - IV. a brother, including a half- or step- brother or any of his children;
 - V. a sister, including a half- or step- sister or any of her children; and
 - VI. a natural, adoptive, or step- parent; and
 - B. the financial or social Interests of an enterprise, whether incorporated or not and whether for profit or not, (“Enterprise”) over which a Governor or a Member or a Family member exercises any degree of control, whether by way of ownership, membership, influence, or any of these in combination, but always excepting the financial or social interests of an Enterprise in which any member of the public may acquire an interest, whether by way of ownership or membership, (“Public Enterprise”) unless the Governor or Member or a member of his or her Family owns directly, indirectly, or in combination with other Family members, five per cent or more or is an officer or director or both of the Public Enterprise. Despite this exception, a Governor and a Member must always disclose to the Board any Interest he or she has in a Public Enterprise before participating in any way in the Board’s deliberations about a proposed transaction with the Public Enterprise.

DUTIES OF A GOVERNOR

- 4.1 A Governor assumes profound social, moral and legal duties including fiduciary duties to Quest when he or she joins the Board. In order to discharge these duties, a Governor must act at all times in the best interests of Quest.
- 4.2 In order to do so, a Governor must, among other things:
- A. take all lawful and reasonable steps which may be necessary to identify and avoid perceived, potential and actual Conflicts; and
 - B. when a Governor cannot avoid a perceived, potential or actual Conflict despite taking all lawful and reasonable steps to do so:
 - I. report the perceived, potential or actual Conflict to the Board at the Governor's earliest reasonable opportunity, if the Board is not otherwise already aware of the Conflict;
 - II. manage the perceived, potential or actual Conflict in conformity with the Board's lawful directions; and
 - III. report to the Board at such intervals and in such a manner as the Board requires about his or her management of the perceived, potential or actual Conflict.
- 4.3 Under this Policy, a Governor has a positive duty to identify, avoid, and manage perceived, potential and actual Conflicts. A Governor who is uncertain whether he or she has a perceived, potential or actual Conflict must report his or her uncertainty to the Board in order to discharge this duty.
- 4.4 A Governor's failure to discharge the duties described above will be presumed by the Board to be a fundamental breach of his or her obligations to Quest and will, without an explanation that is acceptable to the Board, result in the Governor's removal from the Board.

DUTIES OF A BOARD COMMITTEE MEMBER

- 5.1 A Member is expected to act in the best interests of Quest and has the same obligations as a Governor to identify, avoid, report and manage perceived, potential or actual Conflicts as set out in sections 4.2 and 4.3 of this Policy.
- 5.2 A Member's failure to discharge the duties described above will be presumed by the Board to be a fundamental breach of his or her obligations to Quest and will, without an explanation which is acceptable to Board, result in the Member's removal from the Board Committee.

ORDINARY COURSE

- 6.1 A Governor or Member is not in a perceived, potential or actual Conflict when he or she receives a payment or benefit from Quest in connection with his or her work as a Governor or Member and a payment or benefit of the same type would be available to any Governor or Member in the same circumstances and on the same terms and conditions.

COMPELLING BENEFIT

- 7.1 Notwithstanding the above, there may be extraordinary circumstances in which a Governor or Member has a potential or actual conflict in a matter that would bring compelling benefit to Quest, in the judgment of the Board. In that instance the non-conflicted Governors may approve going forward on such a matter by a unanimous vote of all voting Governors, subject to such conditions and protections as they may require. The conflicted Governor must recuse himself or herself from any discussions regarding approval of the matter in question.

PROCEDURES

- 8.1 Each Governor and Member must discharge his or her duties under this Policy in conformity with the procedures as the Board may adopt from time to time in connection with its administration of this Policy.

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