

**Excerpt from the Code of Conduct and Ethics passed by the Directors of the
BLOOD TRIBE DEPARTMENT OF HEALTH on July 28, 2015**

ARTICLE VI – CONFLICTS OF INTEREST

1. Purpose of Conflict of Interest Policy

- 1.1. Canadian Courts have found individuals liable for damages for breach of fiduciary duties to the members of First Nations. Most often the cases involve an individual acting in a conflict of interest and voting on matters in which he or she has a personal interest in the outcome. The purpose of this Board Conflict of Interest Policy is to foster public confidence in the integrity of BTDH Inc. and to protect BTDH Inc.'s interests when it is making a decision or contemplating entering into a transaction or arrangement that might benefit the private interests of a Director or Officer of BTDH Inc.
- 1.2. Because the holder of a Public Office may have abused their Office in the past for personal or familial gain and was not held accountable for that abuse, does not mean that it is right to do likewise. Being a Director or Officer of BTDH Inc. means to advance the interests of the Tribe and not a Director's or Officer's personal interests.
- 1.3. Remaining impartial and avoiding conflicts of interest eliminates corruption, collusion, bribery, persuasion, or anything that may seem or appear to substantiate any such claim.

2. Definitions

- 2.1. For the purpose of this Article VI (Conflicts of Interest), the following definitions apply:
 - (a) *Interest* means any commitment, investment, relationship, obligation or involvement, financial or otherwise, direct or indirect, that may influence a person's judgment, including receipt of compensation from BTDH, litigation against or adverse to the interests of BTDH or any of its Directors, Officers or staff members, and a sale, loan, or exchange transaction with BTDH.
 - (b) *Conflict of Interest* means a situation in which a Director, Officer or staff member has any actual, perceived or potential organizational membership, or financial or personal interest that may affect the conduct of his/her duties and responsibilities as a member of BTDH or create the perception that his/her conduct is so affected. *Conflict of Interest* includes, but is not limited to:
 - (i) situations in which a Director or Officer cannot be perceived as acting with integrity and in the interest of the residents of the Reserve because he or she or a Family Member or close associate may derive a personal, financial or material benefit from a decision being made by the Board;

- (ii) situations in which the judgment of a Director or Officer may be influenced when making a decision because of his or her loyalty to a Family Member, individual Tribe member, resident of the Reserve or anyone else and the Director's or Officer's desire to benefit that other person;
 - (iii) a Director or Officer using his or her position to gather information for personal gain or the benefit of a Family Member, individual Tribe member, resident of the Reserve or anyone else; and
 - (iv) a Director or Officer using his or her position to obtain political or personal favours for him or herself or political or personal favours for Family Members or associates, including gaining employment or contracts with the BTDH.
- (c) Conflict of Interest does not include an interest in a decision that:
- (i) is of general application (applies to all residents on the Reserve);
 - (ii) affects a Director as one of a broad class of persons; or
 - (iii) concerns the remuneration or benefits of a Director.
- (d) Family Member means:
- (i) spouse, including but not limited to a common law partner and same-sex partner;
 - (ii) child, mother, father, sister, brother, grandchild, grandparent, aunt, uncle, niece and nephew;
 - A. A Child includes a person whom a Director or Officer has demonstrated an intention to treat as a child of his or her family and includes step-children, foster children, adoption and customary adoption.
 - (iii) mother-in-law, father-in-law, sister-in-law and brother-in-law; and
 - (iv) step-mother, step-father, step-sister, and step-brother.
- (e) Self-Dealing means when the conduct of a Director or Officer consists of taking advantage of his or her position in a transaction and acting for his or her own interests or interests of a Family Member rather than for the interests of the members of the Blood Tribe.

- (f) *Financial Interest* means when a Director or Officer has, directly or indirectly, through business, investment or family:
- (i) An ownership or investment interest in or compensation arrangement with any entity with which BTDH has transactions or contractual arrangement; or
 - (ii) Potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which BTDH is negotiating a transaction or contractual arrangement.
- (i) *Personal Interest* means a Director's or Officer's self-interest or the interests of a Family Member, to achieve financial profit or avoid loss or to gain another special advantage or avoid a disadvantage. Personal Interest includes but is not limited to situations in which a Director or Officer is a party to legal proceedings, directly or indirectly, with BTDH Inc.
- (j) *Organizational Interest* means a situation that arises when a Director or Officer of BTDH or a Family Member is an officer, director, trustee, partner or an employee of an entity that may benefit financially from a decision the Director or Officer of BTDH Inc. may vote on.
- (k) *Political Interest* means any Director, Officer or staff member of BTDH or any Family member running for public office at any level of government, except as a member of the Tribal council or a Director of BTDH.

3. Cannot Participate or Act if Actual or Perceived Conflict of Interest

- 3.1. Directors and Officers shall avoid real or perceived Conflicts of Interest and improper use of the influence of their office. A Director or Officer shall not act or participate or continue to act or participate in a matter or in making a decision if he or she knows or reasonably should know that in making the decision there is an opportunity for the Director or Officer to be perceived as being in a Conflict of Interest.

4. No Self-Dealing

- 4.1. There shall be no self-dealing or any conduct of private business or personal services between any Director or Officer and BTDH, except as procedurally controlled to assure openness, competitive opportunity, and equal access to otherwise "inside" information.

5. No Use of Insider Information

- 5.1. A Director, Officer or staff member shall not use information that is obtained in the execution of his or her position as a Director or Officer of BTDH and is not available to

the general public, to further his or her Personal Interests, Financial Interests or Organizational Interests or those of Family Members.

- 5.2. A Director, Officer or staff member shall not communicate any Insider Information to any other person, including Family Members.

6. No Influence Peddling

- 6.1. A Director or Officer shall not use his or her position as a Director or Officer to influence or seek to influence a decision of another person so as to further the Director's or Officer's Personal Interests, Financial Interests or Organizational Interests or those of a Family Member.

7. Family Interests or Relations

- 7.1. Because of the extended family system on the Blood Reserve it is difficult for elected members to remain impartial on matters. However, the Board owes a fiduciary duty to the Tribe to avoid any semblance of advancing the interest of a relative or close associate. The prime duty of the Board is to represent the needs of the Tribe in medical and health services and the foremost duty of Directors and Officers is to advance the interest of the Tribe as a whole. Advancing the interest of a Family Member or close associate includes:

- (a) gaining preferential access to treatment, facilities or other services delivered by BTDH;
- (b) giving directly or indirectly a financial interest to a Family Member or close associate;
- (c) communicating the private information of the Board to a Family Member or close associate in order for the Family Member or close associate to use that information for personal gain; or
- (d) advocating for the Family Member or close associate before a Court, Hearing, or Tribunal where the interests of the Family Member or close associate is directly opposed or seen to be opposed to BTDH or adverse to its interests.

- 7.2. A Director or Officer shall not participate in any discussions of the Board concerning which that Director or Officer, or that Director or Officer's Family Member, is engaged in any legal proceedings against BTDH, whether in the form of litigation, alternate dispute resolution, complaints or proceedings before courts or tribunals, or in the form of claims against BTDH of any sort.

8. Employment

- 8.1. Directors and Officers who engage in another business or occupation shall not allow such outside interests to interfere with the proper discharge of their duties.
- 8.2. Directors and Officers shall not use their position to obtain employment in BTDH for themselves, Family Members, or close associates. Should a Director apply for employment in BTDH Inc., he or she must resign from the Board.

9. Political

- 9.1. Any Political Interest is a Conflict of Interest. It is often very difficult to know where the boundaries are between acceptable political activity and activity that would, in reality, be self-dealing and unacceptable. A Director or Officer who is intending to run for office should discuss his or her intention and activities with the Board prior to launching an election campaign. A Director may be asked by the Board to take a leave of absence from the Board during campaigning.
- 9.2. Holding public office should not be a tool used for personal gain or the gain of relatives or associates nor should it be the tool used to “get back at” or “get even” with someone who may have slighted a Board Member or the Board Member’s relatives or associates. Under no circumstances shall a Director or Officer attempt to interfere with or influence any of the employees of the BTDH for the purposes of retribution or for personal advantage.
- 9.3. Because of the risk to privacy interests or perceptions of conflict of interest, a Director or Officer shall not report on the confidential matters of the Board or issue newsletters, commentary or other publications by social media or otherwise for political purposes or to communicate concerning BTDH business with constituents who elected the Director or Officer, without the express approval of the Chair of the Board or a delegate of the Board.
- 9.4. A member of Chief and Council appointed as a Director to the Board of BTDH has a fiduciary duty to the Board, at the same time as having a legitimate interest in putting forward the perspective of Chief and Council on any particular matter. While it is acceptable for a Director to convey the interest of Chief and Council in any matter, a Director shall owe his or her primary duty to the Board and the objects of BTDH.
- 9.5. Under no circumstances shall a Director advocate for a staff member of BTDH in any dealings with the CEO, and shall not use the opportunity as a Director to exercise any influence whatsoever on behalf of any particular staff member.

10. Conflict of Interest Established

- 10.1. An actual, perceived or potential Conflict of Interest exists:

- (a) when a Director or Officer discloses that he or she has an actual, perceived or potential conflict of interest; or
- (b) The Board determines that an actual, perceived or potential conflict exists.

11. Duty to Disclose

- 11.1. A Director or Officer who has reasonable grounds to believe that he or she has or may have a Conflict of Interest in a matter that is before the Board or a Committee of the Board shall, if present at a meeting considering the matter, disclose the Conflict of Interest and all material facts and withdraw from the meeting without comment on the subject matter of the Conflict of Interest or any vote, unless the Board wishes to ask further questions in accordance with paragraph VI.13.

12. Recusal of Self

- 12.1. Any Director or Officer may withdraw from a meeting at any time or recuse himself or herself from involvement in any decision or discussion in which the Director or Officer believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists in accordance with paragraph VI.13.

13. Determining Whether a Conflict of Interest Exists

- 13.1. After disclosure of the Conflict of Interest and all material facts, and after any discussion with the Director or Officer disclosing the Conflict of Interest, he/she shall leave the Board meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Board members shall decide if a Conflict of Interest exists. If there is a disagreement regarding whether a Board Member has a conflict of interest, the decision of the Board shall be final.
- 13.2. The absence of a Director from a meeting because of the requirement under paragraph VI.12 must not be taken into account in determining whether a quorum is present for that meeting.

14. Failure to Disclose a Conflict of Interest

- 14.1. Where a Director or Officer may have a Conflict of Interest but does not declare such Conflict of Interest, another Director may raise a point of Order to the Chair. If the Board has reasonable cause to believe the Director or Officer has failed to disclose an actual or possible Conflict of Interest, the Board shall inform the Director or Officer of the basis for such belief and afford the Director or Officer an opportunity to explain the alleged failure to disclose and/or to withdraw from the Meeting.

14.2. If after hearing the Director's or Officer's response and after making further investigation as warranted by the circumstances, the Board determines the Director or Officer has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

15. Records of Proceedings

15.1. The Minutes of the Board Meeting shall contain:

- (a) The name of the Director or Officer who disclosed or otherwise was found to have a Conflict of Interest, the nature of the Conflict of Interest, any action taken to determine whether a Conflict of Interest was present, and the Board's decision as to whether a Conflict of Interest in fact existed;
- (b) The fact that the Director or Officer who disclosed or otherwise was found to have a Conflict of Interest did not participate in the discussion or decision concerning the matter and that the Director or Officer withdrew from the Meeting;
- (c) The names of the persons who were present for discussion and votes relating to the transaction or arrangement concerning which a Conflict of Interest was declared, or, who were present for discussion and votes relating to the Conflict of Interest, the content of the discussion, including any alternatives to the proposed transaction or arrangement and a record of any votes taken in connection with the proceedings.

15.2. Once a Director has declared a Conflict of Interest he or she is not able to sign any motion, Board of Directors' Resolution or other document related to the matter for which the Conflict of Interest was declared.

16. Disclosure Requirements

16.1. Directors and Officers shall disclose the nature and extent of their Personal Interests, Financial Interests, Organizational Interests and those of Family Members, as follows:

- (a) Disclosure Statement Must Be Filed: Each Director and Officer must file with the Board a disclosure statement within 60 days after the earlier of the date on which he or she was elected or appointed or sworn into office and on each anniversary thereof while he or she remains a Director or Officer.
- (b) Contents of Disclosure Statement: The disclosure statement required by paragraph VI.16(a) must identify:
 - (i) the name of each for-profit corporation, partnership, proprietorship or other business entity in which the disclosing person or his or her Family Member

has an interest, including the ownership of securities in such entity, or is an Officer or Director;

(ii) the name of each not-for-profit organization or charity in which the disclosing person or his or her Family Member holds a membership or is an Director or Officer;

(c) Ongoing Disclosure Is Mandatory: A Director or an Officer of BTDH shall disclose to the Board, in writing or by requesting to have it entered in the minutes of meetings of directors or of committee of Directors, the nature and extent of any interest that the Director or Officer has in a material contract or material transaction, whether made or proposed, with BTDH, if the Director or Officer:

(i) is a party to the contract or transaction;

(ii) is a Director or an Officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or

(iii) has a material interest in a party to the contract or transaction.

(d) Supplemental Disclosure Statement Is Required: Each Director and Officer shall file with the Board a supplemental disclosure statement within 30 days after the change in circumstances of the Director or Officer or his or her Family Member occurs that results in the disclosure statement filed under paragraph VI.16(a) no longer being complete or accurate.

1.2 The disclosure required by paragraph VI.16(c) shall be made, in the case of a Director,

(a) at the meeting at which a Conflict of Interest is first considered;

(b) if the Director was not, at the time of the meeting referred to in paragraph (a), interested in the proposed contract or transaction, at the first meeting after the Director becomes so interested;

(c) if the Director becomes interested after a contract or transaction is made, at the first meeting after the Director becomes so interested; or

(d) if an individual who is interested in a contract or transaction later becomes a Director, at the first meeting after the individual becomes a Director.

1.3 The disclosure required by paragraph VI.16(c) shall be made, in the case of an Officer who is not a Director,

- (a) immediately after the Officer becomes aware that a Conflict of Interest will or has been considered at a meeting of the Board;
 - (b) if the Officer becomes interested after a contract or transaction is made, immediately after the Officer becomes so interested; or
 - (c) if an individual who is interested in a contract or transaction later becomes an Officer, immediately after the individual becomes an Officer.
- 1.4 If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of BTDH's activities, would not require approval by the Directors or members, a Director or an Officer shall, immediately after they become aware of the contract or transaction, disclose in writing to the Board the nature and extent of their Conflict of Interest.
- 1.5 A Director or Officer required to make a disclosure under paragraph VI.16(c) shall not vote on any resolution to approve the contract or transaction unless the contract or transaction:
- (a) relates primarily to the Director's remuneration as a Director or an Officer; or
 - (b) is for the purposes of directors' and officers' indemnity for liability.

ARTICLE VII – GIFTS

17. Gift Is Less Than \$500

- 17.1 A Director or Officer may accept a Gift up to a maximum value of \$500.00 that is received as an incident of the protocol, customs or social obligations that normally accompany the responsibilities of office and are:
- (a) within the normal bounds of propriety, a normal expression of courtesy or protocol within the normal standards of hospitality;
 - (b) not a cash payment or any other form of remuneration for performance of a Director's or Officer's duties of office;
 - (c) not such as to bring suspicion on the Director's or Officer's objectivity and impartiality; and
 - (d) not a compromise to the integrity of the Board.
- 17.2 Gifts, hospitality and other benefits of reasonable value received from governments or in

connection with an official or public event are permitted if they are compliant with paragraph 17.

18. **Prohibitions Against Accepting Gifts**

18.1 A Director or Officer shall not accept a Gift or personal benefit, of any value, that might reasonably be seen to have been given to influence the Director or Officer in the exercise of his or her official powers or the performance of his or her official duties.

18.2 A Director or Officer shall not accept a gift or personal benefit the value of which exceeds \$500.00 from any arms-length third party individual, business entity or government agency.

19. **Gifts Must Be Reported**

19.1 A Director or Officer must submit to the Finance Officer, within seven (7) days, any fees, honoraria, Gifts or personal benefits of whatever nature and value, along with a brief description, the date received, the approximate value, and the name of the donor.

19.2 The Director of Finance shall return any monies submitted to him/her by a Director to that Director if receipts, invoices or other acceptable documentation indicates that the money submitted was a reimbursement in consideration of actual expenses incurred by the Director during the performance of his or her duties of office.

Gifts and other benefits from Family Members and close personal friends are not subject to the provisions of this Article VII providing that acceptance does not compromise the integrity of the Board, and does not violate the Conflict of Interest Provisions set out in Article VI. Where there is doubt as to the appropriateness of accepting a Gift, hospitality or other benefit, Directors and Officers shall decline to accept.