



Internal Regulation

Conflict of Interest Policy

Approved by the Annual General meeting, 30th January 2021

This conflict of interest policy shall assist members of CONIFA decision-making bodies - in particular the Executive Committee ("ExCo") - identify situations that present potential conflicts of interest and provide CONIFA with a procedure to allow a transaction to be treated as valid and binding even though an ExCo member has or may have a conflict of interest with respect to the transaction.

Article 1. Purpose

The purpose of this conflict of interest policy is to protect CONIFA from potential conflicts of interest that may benefit the private interest of a member of a CONIFA decision-making body, in particular a member of the ExCo. The intent of this policy is to supplement any applicable law that governs conflicts of interest.

Article 2. Definitions

2.1. Interested Person.

A member of a CONIFA decision-making body is an "Interested Person" if he or she has a direct or indirect Financial Interest, as defined below.

2.2. Financial Interest.

A person has a financial interest when he or she has any actual or potential ownership, investment or compensation agreement with CONIFA, either directly or indirectly, or any entity that conducts transactions with CONIFA or is any way related to CONIFA or CONIFA's activities. A financial interest is not necessarily a conflict of interest in all cases.





3.1. Duty to Disclose.

Related to any actual, perceived or potential conflict of interest, an Interested Person must disclose the existence of a Financial Interest. The ExCo shall provide the Interested Person with an opportunity to disclose all material facts considering the proposed transaction or arrangement that poses a potential conflict. To aid the disclosure and serve as documentation, each ExCo member shall complete a conflict of interest questionnaire at least annually, and more often as needed.

3.2. Making a Determination of Conflict of Interest

The ExCo shall review each member's questionnaire and any other submitted disclosures. After an Interested Person discloses a potential conflict of interest, the ExCo should request that person to exit the room. The remaining ExCo members shall then discuss the potential conflict of interest and vote on its existence. The ExCo shall make this determination by majority vote.

3.3. Procedures for Managing the Conflict of Interest

After making a careful review of the facts, the ExCo shall make a determination on whether CONIFA would be able to make arrangements for a different agreement or transaction that doesn't produce a conflict of interest or that mitigate the risk posed by the conflict of interest.

During the discussions on the determination, the Interested Person shall not be present. Seeing that no alternative transaction or arrangement is possible, the ExCo shall determine whether the transaction or agreement is in the best interests of CONIFA and is fair and reasonable for its own benefit. The ExCo shall make this determination by majority vote, which shall be the deciding factor on whether CONIFA shall proceed.

3.4. Disciplinary Action

If the ExCo reasonably believes that an Interested Person failed to disclose an actual or potential conflict of interest, they will inform the member and provide an opportunity for the Interested Person to offer an explanation about why he or she failed to disclose the conflict or potential conflict of interest. The ExCo shall take disciplinary action if they continue to believe that a conflict of interest still exists.





CONIFA

Article 4. Records of Proceedings

The minutes of the ExCo shall contain the names of the persons who disclosed or were found to have a conflict or potential conflict, the nature of the conflict, any action taken by ExCo and its decision on the existence of the conflict. The record will also show the names of persons present for discussions and votes, alternatives to the vote and a record of votes taken.

Article 5. Annual Statements

The ExCo will ensure that each ExCo member shall sign a statement that affirms that they received a copy of the conflicts of interest policy, have read and understood its contents, and agree to comply with the policy.

