



## SARCEE MEADOWS HOUSING CO-OPERATIVE LTD.

### HOUSING POLICY

SUBJECT: **Ethical Conduct Agreement for Directors of SMHC**

ORIGINAL APPROVAL DATE: October 13, 1994

APPROVED BY: Membership

DATE OF AMENDMENT OR REPLACEMENT: October 27, 2004, Nov. 2, 2005

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### **General**

I, \_\_\_\_\_ am a director of the Sarcee Meadows Housing Co-operative Ltd. [SMHC]. I declare that in carrying out my duties as a director of SMHC during my term of office:

1. I will use the powers and undertake the duties of my office, honestly, in good faith, and in the best interests of SMHC. In doing so I will use the care, diligence, and skills of a reasonably prudent person in comparable circumstances.
2. I will observe and honour:
  - SMHC's Articles of Incorporation, Bylaws, the Share Subscription Agreement and the Cooperatives Act.
  - SMHC's policies and procedures;
  - Motions passed at duly constituted members' meetings directing the board to take specific action.

### **Confidentiality**

3. I will keep strictly confidential all matters relating to:
  - employment terms and conditions of SMHC employees;
  - contracts and other arrangements normally kept confidential;
  - matters specifically determined to be confidential by board motions;
  - private, personal and financial information concerning SMHC members or employees.
  - information relating to the business of SMHC, where confidentiality is appropriate to preserve SMHC's position against third parties.

Where I am uncertain, I will seek direction by way of a resolution of the Board of Directors.

4. I will for the term of my office, after my term and or after I leave the co-op, keep confidential all information I know or that I learn through my position unless authorized by the Board of Directors to disclose it. I will not use this information for any gain for myself, my immediate family, or any personal relationship.

### **Support for SMHC**

5. I will publicly support the policies and positions of SMHC as approved by the Board of Directors.

6. I will publicly support the actions taken by SMHC's management to implement programs and achieve objectives contained in the co-operative's approved policies, plans and budgets.

### **Conflict of Interest**

7. I will at all times strive to place the interests of SMHC and the Board of Directors ahead of my personal interest and declare immediately any conflict of interest or loyalties that may arise. I will also make known immediately any knowledge of a conflict of interest or loyalties concerning another director.
8. I agree not to participate in the discussion, or vote, and will leave the meeting before any of the following issues arise:
  - Personnel issues when I have an immediate family or personal relationship (as defined in the ethical conduct policy) with an employee in the organization.
  - Unit concerns when issues arise concerning my specific unit, or those of my immediate family, including subsidy approval.
  - Consideration of any contracts or financial transactions with SMHC, or other decisions which, if approved, would lead to my or my immediate family's financial gain or benefit, whether direct or indirect.
  - Any other board discussions that may lead to a conflict of interest or loyalties.
  - When I have information concerning the discussion, I will disclose that information to the board chair or parliamentarian prior to the discussion and my departure from the meeting.
9. I will refrain from influencing the selection of staff, consultants or suppliers who may do business with SMHC in accordance with the Ethical Conduct Policy, section 4.5.
10. I understand that I will not be eligible to serve on the Personnel Committee if I have an immediate family or personal relationship with an employee of SMHC.
11. I will ensure all out of pocket expenses charged to SMHC are not for personal gain but related to SMHC business.
12. As a director I shall not receive any payment or benefit for services provided as a director, but may receive a payment or benefit for services provided other than in my capacity as a director for which SMHC might reasonably make or provide such a payment or benefit.
13. Other than a token gift or benefit, I will not accept gifts or services from vendors, suppliers, members, staff, or any other person, when it may be construed that accepting the gift or service may constitute influence on myself in the decisions that I make as a director.

### **Contacting outside agencies or professionals**

14. I will not contact outside agencies or professionals about the co-operative without prior specific written direction by board resolution for my doing so.

### **Resignation**

15. I will be deemed to have resigned my position as a director on the date that:
  - I resign from office in writing and the Board of Directors accepts my resignation;
  - I make an assignment into bankruptcy;
  - I am convicted of an indictable offense;
  - I am no longer able to be bonded;
  - I give notice to terminate my membership in SMHC, on the day that notice is given;

- I sign a contract for profit with SMHC without declaring a conflict of interest within 48 hours from signing the contract;
- I continue to be a party to a contract for profit 48 hours or more after failing to receive approval from the members by resolution at a general or special meeting;
- I become a party to a contract for profit at any time after failing to receive approval from the members by resolution at a general or special meeting;
- I become a dependent adult as defined in the Dependent Adults Act or am the subject of a certificate of incapacity under the Act;
- I become a formal patient as defined in the *Mental Health Act*;
- I am subject of an order under the *Mentally Incapacitated Persons Act* appointing committee of the individual's person or estate or both, or
- I have been found to be a person of unsound mind by a court elsewhere than in Alberta;
- I become an employee of SMHC;
- I am no longer a *member in good standing* of SMHC;
- I am absent from two consecutive board meetings. Resignation is effective on the day that the Board of Directors passes a motion at a duly called board meeting that reasons for my absence are not acceptable to the majority of the other directors.

16. When I am in a situation where my continued presence on the Board of Directors would cause embarrassment to SMHC or would undermine members confidence in the board or the co-operative, I fail to disclose a conflict of interest or loyalties or a conflicting employment relationship, I breach board confidentiality or I am disloyal or take action harmful to SMHC, I will:

- Resign my position immediately; or
- I will ask the board to determine the matter and then resign if there is a determination not in my favour; or
- I will resign when the board makes a determination not in my favour after the board raises the matter itself.

A board determination must be made by resolution passed by three quarters of the directors attending a duly called meeting of the board, after I have been given the opportunity to be heard by other members of the board.

The board of SMHC can reasonably determine what matters constitute embarrassment or matters tending to undermine member confidence, which may include, by way of example, charges under the Criminal Code relating to spousal assault, theft from an employer, or other matters. The sole and absolute discretion of the board will determine when the reputation of SMHC has been brought into disrepute either with its members or generally.

I have read, understand and agree to abide by this agreement and by SMHC's Ethical Conduct Policy which is attached as Schedule A and forms part of my obligations under this agreement.

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Signature

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Date

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Witness