

INTERNATIONAL INSTITUTE OF BUSINESS ANALYSIS
CONFLICT OF INTEREST POLICY AND
CODE OF CONDUCT FOR DIRECTORS AND OFFICERS

This Conflict of Interest Policy and Code of Conduct (“Policy”) sets out the code of ethical conduct, the obligation of non-disclosure, and duty to avoid conflicts of interest that governs all directors and officers of IIBA (the “Corporation”).

Section 98 of the *Canada Corporations Act* (“Act”) currently requires that a director disclose any direct or indirect interest in a contract or proposed contract with the Corporation. This Policy is intended to complement and supplement the requirements of the Act governing the procedure to be followed by directors for disclosing conflicts of interest with respect to contractual matters with the Corporation. See section 98 of the Act in Appendix “A” of this Policy.

PART 1

CODE OF CONDUCT

1. *The fundamental principle governing the conduct of directors and officers is that they must at all times act honestly, in good faith and in the best interests of the Corporation and otherwise in accordance with applicable law, including common law and the Canada Corporations Act, and with the letters patent and by-laws of the Corporation.*
2. Affairs of the Corporation which have not been made public are considered to be confidential. Directors shall maintain the confidentiality of the records, information and affairs of the Corporation unless and until such disclosure is required by law or is determined by the Board to be in the best interests of the Corporation.
3. Directors and officers must not use information obtained as a result of their duties as a director or officer for investment purposes, or as the basis for a tip communicated to others.
4. It is expected that directors and officers not place themselves in a position of either a perceived or real conflict of interest. Hence, it is important that directors and officers consider what other people might think of a situation where a conflict of interest, whether actual or perceived, may exist or arise. Other people include, for example, stakeholders, partners, sponsors, members, employees, fellow directors and officers.
5. A conflict of interest includes pecuniary and non-pecuniary interests.
 - a. A non-pecuniary conflict of interest arises when there is a reasonable likelihood or expectation that the director, officer or an associated person

- stands to gain from a non-financial benefit or advantage conferred by virtue of the office held by the director or officer.
- b. A pecuniary conflict of interest arises when there is a reasonable likelihood or expectation of financial gain or loss to the director, officer, associated person.
 - c. Associated persons refer to non-arms length entities and individuals such as immediate family members, relatives, business partners, partners, friends, employers, and businesses in which the director or officer has an ownership interest.
6. In the event that a perceived or actual conflict of interest arises, the director or officer has an obligation to disclose the perceived, actual or potential conflict in accordance with the disclosure procedure outlined in Part 2.
 7. Any potential, real or perceived conflict between an individual's interest, and those of the Corporation, must be resolved in favour of the Corporation, where the director or officer does not resign from his or her position.

PART 2

DECLARATION OF CONFLICTS OF INTEREST

8. Every officer and director ("Declarant") shall declare in writing to the Secretary of the Board of Directors the nature and extent of any relationship, arrangement, contract or agreement which creates a duty to or interest in any other entity or individual which may result in a conflict of interest, real or perceived. The declaration to be made by the Declarant shall be in the form contained in Schedule "B" of this Policy (the "Declaration").
9. The Declarant shall make the Declaration at the first meeting of the directors held:
 - a. prior to the director or officer taking office; or,
 - b. if he or she is already a director or officer, after he or she commences holding office, carrying out a position or becoming an owner in an organization, or being associated with or employed by another organization which creates a real, perceived or potential conflict of interest.
10. Every Declarant shall file an updated Declaration on or before January 31st of the year following the commencement date of taking on the position of director or officer. If at any time during the year following the filing of his or her Declaration there occurs any material change in the information contained in the Declaration, either by way of addition or deletion, the Declarant shall forthwith file a supplementary Declaration describing such material change.
11. A director or officer who has an interest in any matter, business, or transaction ("Matter") before the Board of Directors in respect of which the Board will be

- rendering a decision shall provide written disclosure of the nature and extent of his or her interest to the Secretary of the Board.
12. Without restricting the generality of the immediately preceding paragraph, the director or officer shall be deemed to be interested in a Matter where he or she knows or, in the circumstances ought to know, that he or she or any non-arm's length party or associated person has an interest in such Matter.
 13. A director or officer who is interested in a Matter shall not be present at or participate in any discussion or vote on the decision regarding that Matter. The disclosure of the director or officer shall be recorded in, or annexed to, the minutes of the meeting at which such disclosure was made or the minutes of the next meeting following such disclosure.
 14. The Declaration, any supplementary Declaration and the disclosure of interest in a Matter shall be delivered to the Secretary of the Board of Directors who shall promptly table the Declaration or disclosure at a meeting of the Board of Directors to be recorded in, or annexed to, the minutes of that meeting. The Chairperson may thereafter call the attention of the Board of Directors to the contents of any particular disclosure statement or supplementary, in whole or in part, if the Chairperson feels the circumstances warrant.

PART 3

CONFIDENTIALITY AND CORPORATE OPPORTUNITY

15. In the course of performing his or her duties as a director or officer, the individual will become aware of proprietary information. Except as hereinafter specified, the director or officer agrees not to directly or indirectly use or exploit such information, to hold such proprietary information in confidence without disclosure to any third party and to protect it against unauthorized use and disclosure as would a reasonably prudent owner of such proprietary information. The director or officer may disclose proprietary information to the extent reasonably necessary for the performance his or her duties as an officer or director, provided that any such disclosure shall be made on a "need to know" basis.
16. The restrictions set out above shall not apply to:
 - a. information divulged or used by the director or officer after receiving the express written consent of the disclosing party; v.1.0 revised 6/3/2010 4
 - b. information already known to the director or officer without any breach of the duty of confidentiality as evidenced by the records of the director or officer;
 - c. information rightfully obtained by the director or officer from a third party without any breach of a duty of confidentiality;

- d. information independently developed by the director or officer after the date of any disclosure; and,
- e. information that, at the time of receipt, was in the public domain, or becomes part of the public domain without any breach of a duty of confidentiality.

PART 4

NON-COMPLIANCE WITH POLICY

- 17. In the event of any allegation of non-compliance with this Policy, the Board may investigate and determine the validity of such allegations. The Board shall take such steps and measures as the Board may, in its sole discretion, determine appropriate, including and without limitation, declaring that the director or officer has breached this Policy and is no longer qualified to serve as a director or officer, and that his or her office is thereby termination; provided that, the Board of Directors first advise the individual in writing of the nature and extent of such allegations and provide the individual with an opportunity to respond to the allegations.
- 18. In investigating the matter, convening meeting, recommending sanctions, and deciding the outcome of any breach of this Policy, the Board of Directors will respect the principles of procedural fairness.

PART 5

PROFESSIONAL ADVISORS

- 19. The Board of Directors, by resolution passed by the majority of the Board, may at any time ask the Chairperson to appoint counsel for an opinion as to the application of this Code to any particular situation.
- 20. The Corporation's auditors may be requested to perform such duties in connection with this Code as the Board of Directors may determine by resolution passed by a majority of the Board.

APPENDIX A

CANADA CORPORATIONS ACT 1970, C. C-32

Director interested in a contract with the company

98. (1) Subject to this section, it is the duty of a director of a company who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the company to declare his interest at a meeting of directors of the company.

At what meeting declaration to be made

(2) In the case of a proposed contract the declaration required by this section to be made by a director shall be made at the meeting of directors at which the question of entering into the contract is first taken into consideration, or, if the director is not at the date of that meeting interested in the proposed contract, at the next meeting of the directors held after he becomes so interested, and, in a case where the director becomes interested in a contract after it is made, the declaration shall be made at the first meeting of directors held after the director becomes so interested.

What is deemed sufficient declaration

(3) For the purposes of this section, a general notice given to the directors of a company by a director to the effect that he is a shareholder of or otherwise interested in any other company or is a member of a specified firm and is to be regarded as interested in any contract made with such other company or firm shall be deemed to be a sufficient declaration of interest in relation to any contract so made.

Director not to vote if interested

(4) No director shall vote in respect of any contract or proposed contract in which he is so interested as aforesaid and if he does so vote his vote shall not be counted, but this prohibition does not apply

(a) in the case of any contract by or on behalf of the company to give to the directors or any of them security for advances or by way of indemnity,

(b) in the case of a private company, where there is no quorum of directors in office who are not so interested, or

(c) in the case of any contract between the company and any other company where the interest of the director in the last-mentioned company consists solely in his being a director or officer of such last-mentioned company, and the holder of not more than the number of shares in such last-mentioned company requisite to qualify him as a director.

When director not accountable

(5) A director who has made a declaration of his interest in a contract or proposed contract in compliance with this section and has not voted in respect of such contract contrary to the prohibition contained in subsection (4), if such prohibition applies, is not accountable to the company or any of its shareholders or creditors by reason only of such director holding that office or of the fiduciary relationship thereby established for any profit realized by such contract.

“Contract” and “meeting of directors”

(6) For the purposes of this section “contract” includes “arrangement” and “meeting of directors” includes a meeting of an executive committee elected in accordance with section 96.

No liability when contract confirmed

(7) Nothing in this section imposes any liability upon a director in respect of the profit realized by any contract that has been confirmed by the vote of shareholders of the company at a special general meeting called for that purpose.

APPENDIX B

CONFLICT OF INTEREST DECLARATION BY IIBA DIRECTORS AND OFFICERS

I have read and understand the attached IIBA Conflict of Interest Policy and Code of Conduct ("Policy") for directors and officers and acknowledge that I am required to comply with the Policy.

I further acknowledge my ongoing obligation to disclose to the IIBA Board of Directors all actual or perceived conflicts of interest which may exist during my tenure as a director or officer of IIBA.

I am aware that this form and the information attached to it will be disclosed to the Board of Directors. I authorize its disclosure to and use by the Board of Directors in such manner as the Board may in its discretion decide.

I declare that:

- I do not have a conflict of interest.
- I have a conflict of interest or a perceived conflict of interest. The following is a comprehensive written submission of the complete nature of the actual or perceived conflict(s) of interest.

List conflicts and include attachment if necessary. Date Received:
Date:

Signature – IIBA Board Member/Officer

Name:

Name:

Title: Chairperson of the Board of Directors

Title:

Date Received:

Name:

Title: Secretary of the Board of Directors