



Fondation des anciens du CMR Ex-Cadet Foundation

Board of Director's Policy on Ethics

Authority and Amendment

The CMR EX-Cadet Foundation (the Foundation) is a not for profit charitable Foundation incorporated under the laws of Canada. In accordance with its By-Laws the Board of Directors issues this policy.

This policy supplements the By-Laws and in the event of any conflict between the By-Laws and this policy the By-Laws shall prevail.

This policy may be revoked or amended by resolution of the Board of Directors.

This policy together with the By-Laws of the Foundation shall be reviewed by the Board of Directors every three years.

Preamble

The Foundation is committed to having a culture of ethical behaviour. Directors are expected to adhere to and be guided by this policy.

Directors are expected to maintain the highest ethical standards and to comport themselves lawfully, in a reasonable and prudent manner.

Directors must exercise sound governance practices including the duties of due diligence, loyalty and care when fulfilling their responsibilities related to the Foundation. They should offer their resignation as a Director if they find themselves in conflict with this policy.

The *Duty of Diligence* requires that Board Directors:

- Be informed of and apply the legislation under which the Foundation has been incorporated, the Foundation's incorporation documents, the Foundation's By-Laws and Policies;
- Confirm that the Foundation has a system in place to comply with relevant laws and regulations;
- Receive regular reports on the functioning of the Foundation and investigate any evidence of irregularity;

- Be generally informed of the activities of the Foundation, issues that may affect the Foundation, and maintain a general understanding of trends in the charitable fundraising community;
- Be prepared for and attend Board of Directors meetings regularly, serve on Board committees, and contribute from personal, professional and life experience to the work of the Board; and
- Confirm that Foundation decisions are in concert with acceptable principles of financial, environmental, and workplace and safety stewardship.

The *Duty of Loyalty* requires that Board Directors:

- Act with honesty and in good faith in what the Director reasonably believes to be in the best interest of the Foundation;
- Respect and support the Foundation's By-Laws and Policies and the decisions of the Board and the corporate membership;
- Conduct themselves collegially and maintain solidarity with fellow directors in support of a decision that has been made in good faith, in a legally constituted meeting, by Directors in reasonably full possession of the facts;
- Immediately disclose to the Chair of the Board any personal situation that might create or be perceived to create a potential or real conflict of interest that may come to their attention; a conflict of interest occurs when a Director uses his/her position, authority or privileged information to obtain or permit an improper benefit, directly or indirectly, for them or for a friend, relative or associate;
- Confirm an effective system is in place to facilitate the reporting of any real or perceived legal or ethical improprieties in confidence and without fear of retribution; and
- Report to the Board Chair (or if the matter involves the Board Chair the Chair of the Governance Committee of the Board) any actual or potential violations of the Board's Policy on Ethics.

The *Duty of Care* requires that Board Directors:

- Exercise the same degree of care, diligence and skill that any reasonably prudent person would show in comparable circumstances;
- Enter fully into Board discussions and decisions, and ask for a review of a decision if the Director has reasonable grounds to believe the Board acted without full information or in a manner inconsistent with its fiduciary obligations;
- Confirm that the mandate of the Foundation is appropriately implemented and monitored within available resources;
- Keep confidential all information learned about individuals or matters specifically determined by Board motion to be matters of confidence; and

- Be responsible for seeing to the protection and proper use of Foundation assets and monies entrusted to the Foundation with adequate systems and procedures in place to do the same.

Approved by the Board of Directors on December 15, 2017.

A handwritten signature in blue ink, appearing to read "Claude Martel", with a horizontal line extending from the end of the signature.

Chair of the Board of Directors

19205 Claude Martel