

CODE OF CONDUCT FOR BOARD OF DIRECTORS

UPDATED – May 13, 2020

Introduction

This Code of Conduct (the “Code”) reflects the commitment of the Board of Directors (the “Board”) to OMVIC’s values, provides a framework to guide ethical conduct by directors, and addresses conflicts of interest in a manner that upholds the integrity, objectivity, impartiality and reputation of OMVIC.

All Board members are expected to behave in a way that aligns with this Code and understanding that this Code does not cover every scenario. Therefore, all Board members will apply the spirit and intent of this Code to guide their conduct, as well as exercise care, good judgement and diligence in the course of their duties and responsibilities to OMVIC.

Conflict of Interest Guidelines

Each director must act scrupulously to avoid actual, perceived and potential conflict of interest. Conflicts may arise where a director’s personal, professional or business interests’ conflict with that of the corporation.

An actual conflict of interest arises when the director derives or is in a position to derive a personal, professional or business benefit from his/her position as a director.

A perceived conflict arises when there is the perception that the director could derive a benefit from his/her position.

If a director believes that an actual or perceived conflict of interest may exist, the director must immediately disclose the conflict and the nature of the conflict to the Board.

Following the disclosure of the conflict of interest, the director with the declared conflict shall not be involved in any Board discussion regarding the circumstances giving rise to the conflict and the director with the declared conflict must abstain from any vote of the directors on the issue. In the director’s best interests, as well as those of OMVIC, the director with the declared conflict should excuse himself or herself from the board meeting during any discussion of the issue giving rise to the conflict.

If following the disclosure by the director of a conflict, the Board believes that it is in the best interests of OMVIC for the director with the declared conflict to leave the board meeting during any discussion of the issue giving rise to the conflict, the director with the declared conflict shall leave the meeting.

If a director is unsure of whether he or she has a conflict of interest on an issue, he/she may wish to obtain an independent legal advice on the matter, or he or she may wish to put the matter before the Board for its consideration. If the Board believes that the director has an actual or perceived conflict of interest, the board will request that the director declare a conflict of interest.

A director should be mindful of the need to treat as confidential all information which comes to his/her attention as a result of his/her appointment as a board member, particularly if such information would be of personal, professional or business benefit to the individual.

Code of Conduct

Board members agree that in order to exercise their fiduciary responsibilities as an OMVIC board member, they must:

1. Review materials provided for board and committee meetings in advance of all meetings.
2. - Be prepared to participate in meetings of the Board and its committees and subcommittees through informed and reasoned discussion and questions.
3. Consult stakeholders as necessary without violating confidentiality
4. Encourage fellow board members to participate in meetings.
5. Respect views of fellow board members even if those views vary significantly from their own.
6. Make decisions that serve the best interests of OMVIC's objects and priorities
7. Demonstrate respect, courtesy and professionalism in the course of fulfilling his or her duties and responsibilities as a Board member, including interactions with other Board members, officers and staff of the corporation, and external stakeholders.
8. Make decisions which serve the best interests of OMVIC rather than their own or any particular group or association
9. Avoid or declare real or perceived conflicts of interest
10. Conduct themselves in accordance with applicable law, this Code of Conduct, and the Confidentiality policy.
11. Conduct their businesses in accordance with the *Motor Vehicle Dealers Act, 2002*, and other laws which apply to their business
12. Ensure sound fiscal management of OMVIC

Responsibilities of a Director

Board members agree to, and sign the following, undertaking:

“By accepting my election to the Board of Directors of the Ontario Motor Vehicle Industry Council (OMVIC), I agree to adhere to all applicable policies and procedures and to standards outlined below. I understand it is my responsibility to:

- ❖ Remain well informed about the work of OMVIC and its stated objectives.

- ❖ Understand the role of OMVIC, its goals, and its services.
- ❖ Be thoughtful and objective, in all deliberations.
- ❖ Make decisions in the best interest of OMVIC and its stated objectives.
- ❖ Comply with the Code of Conduct, including its Conflict of Interest Guidelines, as they exist from time to time.

As a Board Member I Hereby Agree To:

- ❖ Place regulation of the motor vehicle industry and protection of the public above any special interest, geographic or personal constituency.
- ❖ Be prepared to accept at least one Board committee assignment and actively participate in the committee meetings.
- ❖ Attend and participate in, at minimum, three-quarters of the Board meetings, committee meetings and subcommittees (if applicable). I understand that failure to meet this requirement may result in a request for my resignation.
- ❖ Complete tasks and projects assigned and accepted.
- ❖ Inform the Board of the needs and concerns of stakeholders.
- ❖ Self-evaluate my performance as a director each year.
- ❖ Recognize the role of the CEO, Registrar, and OMVIC staff and refrain from involving myself in administrative decision-making or program implementation.

As a Board Member I Hereby Agree NOT To:

- ❖ Authorize the use of or use for the benefit or advantage of any person, the name, logo, endorsement, services, or property of OMVIC except in conformance with OMVIC policy.
- ❖ Accept, or seek on behalf of myself or any related parties, any financial advantage or gain of other than nominal value offered as a result of my OMVIC affiliation.
- ❖ Utilize any OMVIC affiliation in connection with the promotion of partisan politics, religious matters, or positions on any issue not in conformity with the position of OMVIC.
- ❖ Disclose any information available to me solely because of my Board membership to any person not authorized by law or the by-laws of OMVIC to receive such information.
- ❖ Knowingly take any action or make any statement intended to influence the conduct of OMVIC in such a way as to confer any financial benefit on myself or any corporation or entity in which I have a significant interest or affiliation.
- ❖ Make public statements about OMVIC and its policies, the Board or other Board members or about OMVIC or Board administrative matters, without the express authorization of OMVIC.

I furthermore understand and agree to:

- ❖ Maintain and perpetuate OMVIC as a viable, relevant, effective and legal entity by working with other Directors in overseeing and reviewing the conduct and operation of OMVIC.
- ❖ Act as a trustee of stakeholder interests and recognize my fiduciary duty to OMVIC.
- ❖ Review and approve plans and financial objectives for OMVIC's future role and scope of activities.
- ❖ Ensure the integrity of internal controls of financial management.
- ❖ Measure progress towards stated goals (consumer protection and education; industry regulation; customer service) and review management input on resource allocation.
- ❖ Assess the performance and results of management and OMVIC, including the Board of Directors.
- ❖ Exercise due diligence.
- ❖ Along with other Directors, act as steward of the Council's assets."