

**HELICOPTER ASSOCIATION OF CANADA  
CODE OF CONDUCT AND CONFLICT OF INTEREST POLICY FOR DIRECTORS  
AND OFFICERS**

**1. INTRODUCTION**

The following constitutes the Code of Conduct and Conflict of Interest Policy (“Policy”), which has been developed to govern the conduct of and the disclosure and avoidance of real and perceived Conflicts of Interest for all Directors and Officers of the Helicopter Association of Canada (“HAC”). It is intended that this Policy will be compliant with and be in addition to the requirements of HAC’s By-laws and other governing documents, as well as the *Canada Not-for-Profit Corporations Act S.C. 2009, c.23* (“the Act”) and its Regulations as amended from time to time.

**2. PURPOSE**

Effective governance of HAC depends upon informed, thoughtful and impartial decision-making by the Directors of the HAC Board of Directors (the “Board”) and its Officers. Confidence in the integrity of HAC and the ability of its Directors and Officers to make such decisions is jeopardized when a Director or Officer is or appears to be in a Conflict of Interest. The purpose of this Policy is to permit HAC, through its Board, to effectively manage both real and perceived Conflict of Interest situations whenever they arise.

**3. APPLICATION**

This Policy applies to all HAC Directors and Officers. This Policy also applies to Directors and Officers who are acting in their capacity as members of Committees of the HAC.

**4. DEFINITIONS**

- a) “By-Laws” means all by-laws, including special by-laws, of the Corporation as amended from time to time.
- b) A “Conflict of Interest” arises where a Director or an Officer has a Personal or Financial Interest which may be in conflict with or may influence the exercise of his obligations or responsibilities in his role with HAC, or which may undermine HAC stakeholders’ confidence in the Director’s or Officer’s ability to fulfill his duties with HAC. A conflict of interest includes, but is not limited to, circumstances where a Director’s or Officer’s personal and/or financial interest is in competition with his fiduciary obligation(s) to act in the best interest of HAC or where a Relative or Spouse of a Director or Officer has a Personal and/or Financial Interest in the same subject matter as HAC.
- c) “Director” means an individual who has been elected to the Board of Directors of the Corporation in accordance with HAC’s By-laws;
- d) A “Financial Interest” includes but is not limited to the following:
  - i. financial benefit or advantage whether personal or business;

- ii. being a party to a Material Contract; and
  - iii. corporate opportunity of which the individual learns in advance of others by reason of being a Director or Officer of HAC.
- e) “Material Contract” includes any existing or proposed contract, transaction, arrangement, or resolution and any discussion or decision concerning such a contract, transaction, arrangement or resolution, or any dispute between HAC and another Person.
- f) An “Officer” is defined in accordance with the HAC By-laws.
- g) “Person” includes any individual, partnership, corporation, profession, calling, trade, manufacturer, business enterprise or undertaking of any kind, and a venture or concern in the nature of trade, whether incorporated or not.
- h) “Personal interest” includes but is not limited to the following:
- i. enhancement of position;
  - ii. social or political gain; and
  - iii. a duty owed as a director, officer, elected official, associate or employee of a Person contracting or transacting with, proposing to contract or transact with, or engaging in a dispute with, HAC.
- i) A “Relative” means a father, mother, spouse, sister, brother, child, step-child, ward, mother-in-law, father-in-law, sister-in-law, or brother-in-law of a Director or Officer; and
- j) a “Spouse” means a person to whom a Director or Officer is married or with whom a Director or Officer is living in a domestic relationship outside marriage, but does not include a person to whom a Director or Officer is married, but with whom he or she is not living, if their support obligations and family property have been dealt with by a Court Order or by a Separation Agreement.

## **5. GUIDELINES**

- a) Directors and Officers must at all times act honestly, in good faith and in the best interests of HAC, and in the manner prescribed by the Act as amended from time to time, in accordance with the By-laws of HAC, and otherwise in accordance with applicable law.
- b) Directors and Officers must be loyal to HAC.
- c) Directors and Officers must base their decisions on a proper consideration of the overall good of HAC and must not act in the interest of one group of stakeholders over the interest of the HAC as a whole.
- d) Directors and Officers must be committed to the purposes of HAC and must base their decisions and take such action as necessary to support and further those purposes.

- e) Directors and Officers must conduct themselves in such a way as to maintain the integrity of and public confidence in the HAC, as well as the helicopter industry as a whole.
- f) The Chair of the Board or designate shall be the official spokesperson for releasing to the public only such information as is authorized from time to time by the Board. No other Director or Officer shall speak publicly about HAC, through the media or otherwise, without prior approval of the Board.
- g) Directors and Officers must maintain confidentiality of Board deliberations, discussions and decisions unless prior approval of the Board has been given for disclosure. This commitment shall survive termination of the Director's or Officer's service to the Board.
- h) If a Director votes against a resolution of the Board, he/she must nevertheless publicly support that resolution. If a Director cannot reconcile this duty of obedience with his/her conscience, he/she must resign from the Board of Directors. This commitment shall survive termination of the Director's service to the Board.
- i) Directors and Officers must strive to ensure that they do not place themselves in a position of conflict of interest, either perceived or real, where their duty to HAC conflicts with their own Personal Interest or with their duty to others.
- j) Directors and Officers shall not have a Financial Interest which may be in conflict with or may influence the exercise of their obligations or responsibilities in their roles with HAC, or which may undermine HAC stakeholders' confidence in the Director's or Officer's ability to fulfill his/her duties with HAC.
- k) Directors and Officers shall immediately or as soon as practicable, declare to the Board in accordance with this Policy, any Personal and/or Financial Interest which may constitute a real or perceived Conflict of Interest.
- l) Directors and Officers shall not communicate or otherwise use any information that was obtained in his/her capacity as a Director or Officer to further or to seek to further his/her Personal and/or Financial interest unless such information is available to the general public. This commitment shall survive termination of the Director's or Officer's service to the Board.

## **6. PROCEDURES FOR DIRECTORS TO DISCLOSE PERSONAL INTEREST**

- a) If a Director or Officer has any Personal or Financial Interest, which may constitute a real or perceived Conflict of Interest, in a matter that is before a meeting of the Board, he/she shall at such meeting, before the commencement of a discussion of the matter, disclose that he/she has that interest and shall refrain from participation in any discussions, deliberations and, if applicable, voting concerning such matter and may thereupon be asked to leave the meeting. Directors may however, vote on any contract or transaction that relates primarily to the Director's remuneration as a Director, an Officer, an employee, an agent or a mandatary of HAC or an affiliate; any contract or transaction that is for indemnity or insurance under section 151 of the Act; or if the contract or transaction is with an affiliate. Such disclosure shall be in writing or be recorded in the minutes of such meeting and disclose the nature and

extent of any Personal or Financial Interest that the Director or Officer has in a material contract or material transaction, whether made or proposed, with HAC, if the Director or Officer:

- i. is a party to the contract or transaction;
  - ii. is a Director or an Officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or
  - iii. has a material interest in a party to the contract or transaction.
- b) If a Director or Officer is in doubt as to whether or not he/she has a Personal or Financial Interest so as to create a real or perceived Conflict of Interest, the Director or Officer shall at such meeting, before the commencement of a discussion of such matter, disclose that he/she has that potential Conflict of Interest and shall thereupon leave the meeting. The remaining Directors shall then decide, by a majority vote, whether or not there is a Conflict of Interest with respect to such matter and its decision on the matter is final. Such disclosure and the decision of the meeting shall be recorded in the minutes of such meeting. If the decision of the meeting is that the declaring Director or Officer does not have a Conflict of Interest, then he/she is entitled to return to and participate in the meeting, including the discussions, deliberations and, if applicable, voting concerning such matter.
- c) If the Director or Officer was not, at the time of the meeting mentioned in Article 6(a), interested in the proposed contract or transaction then the Director or Officer shall follow the disclosure procedure in Articles 6(a) and (b), at the first meeting after the Director or Officer becomes so interested.
- d) If the Director or Officer becomes interested after a contract or transaction is made, then the Director shall follow the disclosure procedure in 6(a) and (b) after the Director or Officer becomes so interested.
- e) If an individual who is interested in a contract or transaction later becomes a Director or Officer, then the Director or Officer shall follow the disclosure procedure in 6(a) and (b) after the individual becomes a Director or Officer.
- f) If the Director or Officer who is making the disclosure under the foregoing Articles 6(a) or 6(b) is the Chair, he/she shall vacate the chair and the Vice-Chair shall preside over any discussions, deliberations and, if applicable, voting concerning such matter.
- g) If a Director or Officer has a Personal or Financial Interest in a material contract or material transaction, whether entered into or proposed, that does not require the approval of the Directors or the Members, a Director or Officer shall, immediately after they become aware of the contract or transaction, disclose in writing to HAC, or request to have entered into the minutes of a meeting of the Board, the nature and extent of their Personal or Financial Interest.

## 7. ENFORCEMENT

- a) Where a Director or Officer fails to disclose a Personal or Financial Interest which may constitute a real or perceived Conflict of Interest according to this Policy or according to other laws or regulations in Canada, HAC reserves all rights which it may have to deal with the conflict and individual involved.
- b) The Board may at any time determine by a majority vote that a Director or Officer has contravened this Policy and may call a meeting of the full Board in accordance with the By-laws in order to determine whether the Director or Officer should be removed from office. The Director or Officer will be given the opportunity at the meeting to state why he should not be removed but he shall not be entitled to a vote. The decision of the Board, by majority vote, is final.
- c) Nothing in Article 7 of this Policy detracts from the obligations for disclosure found in Article 6 of this Policy.

## 8. ANNUAL STATEMENTS

- a) This Policy shall be reviewed annually at a meeting of the Board and shall form part of the minutes and record of that meeting.
- b) Every Director and Officer will be required to sign the following declaration prior to his/her participation in the first meeting of the Board following the Annual General Meeting of HAC:

***I have received a copy of the current Code of Conduct and Conflict of Interest Policy of the Helicopter Association of Canada. I have read, understand and agree with it and I will abide by it.***

***Signature:***

***Date:***

Board Approved February 23, 2014