



New Brunswick Credit Union Deposit Insurance Corporation

BY-LAW NO. 5 CONFLICT OF INTEREST AND CODE OF CONDUCT

A by-law relating generally to conflict of interest and code of conduct for the directors and officers of the New Brunswick Credit Union Deposit Insurance Corporation (the "Corporation").

BE IT ENACTED as a by-law of the Corporation as follows:

ARTICLE 1 INTERPRETATION

1(1) In this by-law, unless the context otherwise specifies or requires:

"supervisor" means the chairperson in the case of the officers and directors, and the Vice-Chair of the Financial and Consumer Services Commission in the case of the chairperson.

ARTICLE 2 PURPOSE AND APPLICATION

2(1) Directors and officers discharge important public duties and accordingly are expected to comport themselves in a manner befitting the trust and confidence placed in them. The purpose of this by-law is to ensure that public confidence and trust in the integrity, objectivity and impartiality of the Corporation are protected and enhanced.

2(2) This by-law applies to directors and officers of the Corporation, including the chairperson.

ARTICLE 3 GENERAL CONDUCT

3(1) No individual to whom this by-law applies shall

- (a) use confidential information obtained in the course of appointment with the Corporation for personal gain;
- (b) act in a manner that might result in or create the appearance of
 - (i) a public office being used for private benefit, gain or profit,
 - (ii) a person receiving preferential treatment from the Corporation,
 - (iii) the efficiency of the Corporation being impeded or the resources of the Corporation being misused, or
 - (iv) loss of independence or impartiality of the Corporation;

- (c) act in a manner that might result in the loss of public confidence in the integrity of the Corporation;
 - (d) disclose, in advance or otherwise, confidential information unless authorized by law to do so;
 - (e) use the individual's official position or authority to act in a matter in which the individual has a personal interest;
 - (f) be involved, directly or indirectly, in any business or financial affairs or matters which conflict with the individual's official duties and responsibilities; or
 - (g) engage in any activity that could result in a reasonable perception that the individual is not fulfilling the duties and responsibilities of that individual's position impartially or effectively.
- 3(2) An individual to whom this by-law applies may seek a determination from their supervisor as to whether a proposed activity constitutes a prohibited activity under paragraphs 3(1)(a) to (g).

**ARTICLE 4
POLITICAL ACTIVITY**

- 4(1) A director or officer of the Corporation must not
- (a) engage in political activity while performing the work of the Corporation, or
 - (b) associate their position with any political activity.
- 4(2) Directors of the Corporation and officers appointed under the *Credit Unions Act* (the *Act*) are empowered to make decisions under the *Act*, and as such must not engage in political activity which could result in a perception of bias.
- 4(3) Subject to subsections (1) and (2), a director or an officer of the Corporation has the right to engage in political activity provided that
- (a) it is not done on the Corporation time or at the Corporation expense; and
 - (b) it does not result in a loss of independence or impartiality by the Corporation.

**ARTICLE 5
DISCLOSURE OF CONFLICT OF INTEREST**

- 5(1) A director or officer of the Corporation must immediately advise their supervisor in writing if the individual has any actual or potential conflict of interest, including but not limited to if
- (a) the individual has any personal interest in a project that is the subject or part of the subject of any matter that
 - (i) in the case of an officer, is assigned to the officer as part of the officer's duties, or

- (ii) in the case of a director of the Corporation, is being dealt with by the individual in the exercise or performance of powers or duties under the *Act*, or
- (b) the individual's prior employment or relationship with any person or prior involvement with any project may prejudice or affect
 - (i) in the case of an officer of the Corporation, any matter assigned to the officer of the Corporation as part of their duties, or
 - (ii) in the case of a director of the Corporation, the exercise or performance of powers or duties under the *Act*.

**ARTICLE 6
EXEMPTIONS**

- 6(1) Individuals to whom this by-law applies may present a written application to their supervisor for an exemption from the provisions of this by-law.
- 6(2) On an application under subsection (1), the supervisor may grant the exemption if the supervisor is of the opinion that the applicable provision is not appropriate in the circumstances.
- 6(3) When an exemption is refused under this section, the supervisor will provide written reasons for the refusal to the applicant.

**ARTICLE 7
BREACHES AND PENALTIES**

- 7(1) Where an individual to whom this by-law applies becomes aware of a breach of this by-law, that individual must report the possible breach to his or her supervisor.
- 7(2) The supervisor has an obligation to investigate a possible breach reported by any person in respect of an individual to whom this by-law applies.
- 7(3) No individual who in good faith reports a possible breach shall suffer harassment, retaliation or adverse consequence as a result of the reporting of the possible breach, and no individual shall retaliate against someone who has reported a possible breach in good faith.
- 7(4) In addition to the redress set out in subsection 7(2), an individual to whom this by-law applies who breaches this by-law may be subject to disciplinary action up to and including the termination of that individual's appointment.

**ARTICLE 8
ANNUAL REMINDER**

- 8(1) The Secretary must provide all directors with an annual reminder of the requirements of this by-law.
- 8(2) Directors must provide written confirmation to the Secretary that they have received the annual reminder set out in subsection (1) and that they have reviewed this by-law.

**ARTICLE 9
AMENDMENTS**

9 The Board may by resolution amend or repeal all or any part of this by-law.