



Code of Ethics

Introduction

It is the obligation of each member of the Board of Directors, including the executive committee, to ensure that MAAC follows the highest of ethical standards.

No code of ethics or statement of policy can spell out the appropriate moral conduct and ethical behavior for every situation that Directors will confront. Each Director must rely on reasonable judgment in applying the principles outlined in this Code.

Responsibilities

Each Director has a fiduciary obligation on behalf of MAAC, which encompasses at least two distinct duties; the Duty of Care and the Duty of Loyalty.

The Duty of Care

To fulfill the Duty of Care, each Director should be reasonably informed, participate in Board decisions, and do so in good faith, with the care of an ordinarily prudent person in similar circumstances.

The Duty of Care presumes that each Director shall attend meetings on a regular basis, promptly respond to communication where required (e.g. email, letters, phone calls), be informed about the workings of MAAC, and exercise independent judgment. In exercising independent judgment, Directors must always act on behalf of the whole Association, and not any particular constituency group.

A Director may rely on information from regular sources that the Director reasonably regards as trustworthy. While the bylaws provide that the executive Committee shall, when the Board is not in session, supervise and maintain the operations of the association and recommend changes to be addressed when the Board is in session, the Board nonetheless retains overall responsibility for MAAC operations and activities. In order to discharge this responsibility properly, Directors have full access to any MAAC records and documents that they may reasonably require.

The Duty of Loyalty

The Duty of Loyalty requires Directors to exercise their authority in the interest of MAAC, rather than in their own interest, or the interest of another entity or person. This duty primarily relates to three areas: conflict of interest, financial conflict, and confidentiality.

Conflict of Interest

In the event that a Director has interests that conflict with those of MAAC in fact or in appearance, the Duty of Loyalty requires that the Director be conscious of the potential for such conflicts and act with candor and care in dealing with such situations.

A possible conflict of interest exists:

- a. When a Director or a close relative is an officer, director, employee, proprietor, partner, trustee, or paid consultant of an organization that could be said in a business context to be “in competition with” MAAC by offering one or more products or services similar to a product or service offered by MAAC.
- b. When a Director or a close relative is an officer, director, employee, proprietor, partner, trustee, or paid consultant of an organization that seeks to do business with MAAC.
- c. When a Director has an interest in an organization that is in competition with a firm seeking to do business with MAAC, if the Director’s position gives him or her access to proprietary or other privileged information that could benefit the firm in which he or she has an interest.

Financial Conflict

Before a Director engages in a transaction which he or she reasonably should know may be of interest to MAAC, the Director should disclose the transaction to the Board of Directors in sufficient detail and adequate time to enable the Board to evaluate the propriety of the transaction.

Confidentiality

Upon assuming office, each director shall file a [confidentiality agreement](#) with the MAAC office and shall retain a copy thereof.

A current or past Director shall not disclose MAAC confidential, proprietary, or privileged information to third parties, including members of MAAC. What constitutes MAAC confidential, proprietary, or privileged information for this purpose is a question of fact to be determined in each case, on the basis of the nature of the information and whether it is already known by the membership.

Gifts or Business Courtesies

A business courtesy is a gift, favor, gratuity, or entertainment given to an individual Director from a person, firm, organization and governments with whom MAAC maintains or may establish a business relationship and for which fair market value is not paid by the recipient. A Director should limit giving or receiving gifts, favors, gratuities, or entertainment to only what is acceptable in a normal business context, and should never give or receive gifts, favors, gratuities, or entertainment in a way that might create, or be perceived to create, an obligation to or from another.

Political Activity

MAAC may also propose legislation or regulation changes with the applicable government agency. (e.g. Transport Canada).

MAAC, however, may not engage in political activity, which is defined as intervening directly or indirectly in any political campaign on behalf of or in opposition to any candidate for public office.

A Director therefore must disassociate MAAC from any political activity or involvement by that Director and must not use his or her status as a MAAC Director or MAAC's name, property (including mailing lists), or facilities to further a particular political candidate or campaign.

As an individual, however, a Director is not constrained regarding his or her political activities and retains the right to endorse political candidates, contribute to political campaigns, and otherwise make his or her political views known.

Use of Association Property

A Director may use MAAC property only in the furtherance of reasonable MAAC business. The use of resources negligible in value is an exception.

Public Statements

A Director should speak on behalf of MAAC only to the extent that they are confident that the statement reflects established MAAC policy. Any other public statement by a Director should be identified as their "personal opinion".

References

Further explanations of the duties of a director called "Primer for Directors of Not-For-Profit Corporations" is found at http://www.ic.gc.ca/eic/site/cilp-pdci.nsf/eng/h_cl00688.html

In addition, a book Duties and Responsibilities of Directors of Not-For-Profit Organizations by Hugh M. Kelly, Q.C. is available from the MAAC office.

Infringement of Code of Ethics or Other Governance Documents

A Director who is unsure about the applicability of the Code of Ethics in a particular situation or has questions is encouraged to consult with the MAAC Executive Committee. In such event, the Director must recognize that the MAAC Executive Committee's responsibility is to MAAC and not to the Director.

Upon receipt of information regarding a possible infringement of the Code of Ethics, the MAAC Executive Committee shall promptly notify the Board, and the Director who is the subject of the possible infringement. The MAAC Executive Committee shall then investigate the matter with due diligence and the utmost discretion and shall provide ample opportunity for due process for all parties concerned.

Upon completing the investigation, the MAAC Executive Committee shall make recommendations to the Board for appropriate action. These recommendations may include, but are not limited to, dismissal of the allegation, remedial action, or removal from office or from MAAC pursuant to the bylaws and section 158 of the Act.

Details of the process regarding allegations of misconduct, and the appropriate action available to the Board depending on the circumstances of the issue at hand, are outlined in the Policy Manual in Section 6.4 dealing with the Infringement of the Code of Ethics or other documents of governance, pertaining to the members of the Board of Directors.

The President shall disclose the name and membership number of any past or current director who has breached the Code of Ethics more than once. Details of the infringement shall remain confidential to the MAAC Executive committee, the Board of Directors and future MAAC Executive committee and board of Directors.