



BOARD OF TRUSTEES – CONFLICT OF INTEREST GUIDELINES

A Trustee of the Motor Vehicle Dealers Compensation Fund (Fund) must act scrupulously to avoid actual, perceived and potential conflict of interest. Conflicts may arise where a Trustee's personal, professional or business interest conflict with that of the Fund.

An actual conflict of interest arises when the Trustee derives a personal, professional or business benefit from his/her position as a Trustee.

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

A potential conflict exists solely if there is a perception that the Trustee could derive a benefit from his/her position.

If a Trustee believes that an actual, perceived or potential conflict of interest may exist, the Trustee must immediately disclose the conflict and the nature of the conflict to the other Trustees.

Following the disclosure of the conflict of interest the Trustee with the declared conflict shall not be involved in any Fund discussions giving rise to the conflict and the Trustee with declared conflict must abstain from any vote of the Trustees on the issue. In the Trustees best interests as well as those of the Fund, the Trustee with the declared conflict should leave the Fund meeting during any discussion of the issue giving rise to the conflict.

If following the disclosure by the Trustee of a conflict, the majority of the other Trustees believe that it is in the best interests of the Fund for the Trustee with the declared conflict to leave the Fund meeting during any discussion of the issue giving rise to the conflict, the Trustee with the declared conflict shall leave the meeting.

If a Trustee is unsure of whether he/she has a conflict of interest on an issue he/she may wish to obtain an independent legal advice on the matter or he/she may wish to put the matter before the Trustees for their consideration. If the majority of the Trustees believe that the Trustee has an actual, perceived, or potential conflict of interest, the Trustees will request that the Trustee declares a conflict of interest.

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