

***Excerpt - Ontario Regulation 339/01- Conflict of Interest***

4. (1) This section applies to a housing provider in addition to the provisions of the Act listed in subsection 3 (1) to which the housing provider is subject. O. Reg. 339/01, s. 4 (1).

(2) A Conflict of Interest exists if any of the following situations occur:

- i. The personal or business interests of a director, officer, agent or employee of a housing provider are in conflict with the interests of the housing provider.
- ii. A personal gain, benefit, advantage or privilege is directly or indirectly given to or received by a director, officer, agent or employee of the housing provider or a person related to one of them as a result of a decision by the housing provider. O. Reg. 339/01, s. 4 (2).

(3) A director, officer, agent or employee of the housing provider shall not enter into any situation, arrangement or agreement which results in a Conflict of Interest. O. Reg. 339/01, s. 4 (3).

(4) Directors, officers, agents and employees of the housing provider must notify the chair of the board of directors of the housing provider of every potential or actual Conflict of Interest no later than the first meeting of the board after the director, officer, agent or employee becomes aware that he or she has entered into a situation, arrangement or agreement that results in or may result in a conflict of interest. O. Reg. 339/01, s. 4 (4).

(5) The board of directors shall consider the notice given under subsection (4) no later than the second meeting of the board after the notice is given and consideration of the notice must be reflected in the minutes of the meeting. O. Reg. 339/01, s. 4 (5).

(6) The chair of the board shall notify the service manager in writing of the receipt of every notice under subsection (4) and the board of directors shall resolve every conflict of interest or potential conflict of interest to the satisfaction of the service manager. O. Reg. 339/01, s. 4 (6).

(7) Despite subsection (3), a director, officer, agent or employee or a person related to one of them may directly or indirectly receive a gain, benefit, advantage, privilege or remuneration from the housing provider if all of the following conditions are satisfied:

- i. A notice of the conflict of interest or potential conflict of interest is given in accordance with subsection (4).
- ii. The service manager agrees that there is no reasonable alternative for the housing provider other than entering into the situation, arrangement or agreement that results in or may result in the conflict of interest. O. Reg. 339/01, s. 4 (7).

(8) For the purposes of this section, a person related to a director, officer, agent or employee includes a parent, spouse, child, household member, sibling, uncle, aunt, nephew, niece, mother-in-law, father-in-law, sister-in-law, brother-in-law or grandparent, or a person with whom the director, officer, agent or employee has a business relationship. O. Reg. 339/01, s. 4 (8); O. Reg. 341/05, s. 1 (1).

(9) In this section,

“child”, in relation to an individual, means a child of the individual born within or outside marriage (unless that child has been adopted by one or more other individuals in Ontario or according to the law of another jurisdiction), a child adopted by the individual in Ontario or according to the law of another jurisdiction, and a child whom the individual has demonstrated a settled intention to treat as a child of his or her family, but does not include a child placed in the individual’s home as a foster child for consideration by another person having lawful custody; (“enfant”)

“parent”, in relation to an individual, means a natural parent of the individual (unless the individual has been adopted by one or more other persons in Ontario or according to the law of another jurisdiction), an adoptive parent of the individual who has adopted the individual in Ontario or according to the law of another jurisdiction, and a person who has demonstrated a settled intention to treat the individual as a child of his or her family, but does not include a person in whose home the individual has been placed as a foster child for consideration by another person having lawful custody; (“père ou mère”)

“spouse”, in relation to a person, means, (a) an individual who, together with the person, has advised the housing provider that the individual and the person are spouses, or (b) an individual who is residing in the same dwelling place as the person, if the social and familial aspects of the relationship between the individual and the person amount to cohabitation and,

- (i) the individual is providing financial support to the person,
- (ii) the person is providing financial support to the individual, or
- (iii) the individual and the person have a mutual agreement or arrangement regarding their financial affairs. (“conjoint”) O. Reg. 339/01, s. 4 (9); O. Reg. 341/05, s. 1 (2-4).

### **Replacement of Conflict of Interest Rules**

5. The Conflict of Interest provisions set out in section 4 may be replaced for a housing provider by rules agreed to by the housing provider and the service managers for all areas in which its housing projects are located, in accordance with subsection 93 (3) of the Act. O. Reg. 339/01, s. 5.

### **Expenses and remuneration, directors**

6. (1) A housing provider shall not pay remuneration to a director other than amounts to reimburse the director for reasonable expenses incurred in the performance of the director’s duties as a director. O. Reg. 339/01, s. 6(1).
- (2) A housing provider may employ a director if,
- (a) the director resides in the housing provider’s housing project and is employed by the housing provider on a part-time or temporary basis; or
  - (b) the director does not reside in the housing provider’s housing project and is employed by the housing provider to carry out functions of a non-supervisory and non-managerial nature and the housing provider has,
    - (i) five or fewer directors and not more than one-fifth of the directors are employed by the housing provider to carry out the same functions. O. Reg. 339/01, s. 6(2).
    - (ii) more than five directors and not more than one-fifth of the directors are employed by the housing provider to carry out the same functions. O. Reg. 339/01, s. 6(2).
- (3) Despite subsection (1), a housing provider may pay reasonable remuneration to a director employed in accordance with subsection (2) in respect of his or her employment functions. O. Reg. 339/01, s. 6(3).