

FOR DECISION

BM.02/DOC.13: POLICY ON ETHICS AND CONFLICT OF INTEREST

1. PURPOSE

The purpose of this paper is to receive the approval of the Board of the proposed Policy on Ethics and Conflict of Interest (**Annex 1**) and the terms of reference of the Ethics Committee (**Annex 2**).

2. DECISION REQUESTED

The Secretariat requests that the Board approves the following decision:

BM.02/DEC.XX: *The Board:*

- a. approves:*
 - i. the Policy on Ethics and Conflict of Interest attached as Annex 1 to BM.02/DOC.13; and*
 - ii. the terms of reference of the Ethics Committee attached as Annex 2 to BM.02/DOC.13;*
- b. requests the Executive Director to appoint an Ethics Officer in the Secretariat who should proceed with distributing the Declarations of Interest to Covered Individuals as soon as possible; and*
- c. requests the Chair to consult with Board members interested in joining the Ethics Committee, and present a recommendation on the committee's membership for Board approval, using the no objection procedure set out in Article 2.9 of the Bylaws.*

3. REASON FOR RECOMMENDATION

Background

3.1 A previous version of the Policy on Ethics and Conflict of Interest was circulated prior to the 1st Board Meeting in November 2014. Due to concerns expressed that the annual declaration form was not included in the materials, the matter was withdrawn from the agenda. Since that time, the Policy has been slightly updated, and the form of the proposed annual disclosure is attached to the Policy. In addition, the terms of reference of the Ethics Committee have been included for Board approval.

3.2 An ethics and conflict of interest policy is an essential element of good governance for any organisation. The need for a policy on conflict of interest applicable to GCERF stakeholders is indicated in Article 5 of the Bylaws.

Introduction: What is a Conflict of Interest?

3.3 Broadly speaking, a *conflicting interest* is any personal or outside interest, relationship or responsibility which may affect, or may reasonably be perceived to affect, an individual's objectivity and judgment with respect to the matter under consideration. A person has an *actual* conflict of interest when she or he is in a situation where he or she must make a judgment where the two conflicting interests must be reconciled. A person has a *potential* conflict of interest if he or she has a conflicting interest with respect to the matter under consideration, but is not yet in a situation where he or she must make that judgment.

3.4 A potential or actual conflict of interest usually emanates from a direct pecuniary interest, although this is not necessarily required. The interest can be *personal* (e.g. the person's financial interest or that of his or her family members) or *institutional* (e.g. the person's duty of loyalty to their organisation and colleagues and to protect their institution's reputation or work programme). In the context of the GCERF Governing Board, it is the latter that is more likely to arise.

3.5 GCERF Board members and Secretariat staff contribute to the fulfilment of its mission by participating in its governance structures. Certain Board members may also potentially act as recipients of grants and members of Country Support Mechanisms. Each partner has a stake (financial or otherwise) in the activities of GCERF and stands to benefit from or suffer a detriment from the policy directions and financial decisions taken by GCERF. Conflicts of interest are therefore inherent in GCERF governance structures.

3.6 It is important that *all persons* participating in GCERF governance structures, including Secretariat staff, recognize their inherent potential for conflict of interest and for GCERF to manage them carefully, as discussed in the next section.

Types of Conflicts of Interest that Can Arise in GCERF

3.7 While GCERF's legal structure is a Swiss foundation, it is designed as a multi-stakeholder organisation that values the input of all stakeholders involved in its mission. Yet, because GCERF makes both policy and financial decisions that affect the very same people and institutions that are making the decisions, potential and actual conflicts of interest will inevitably arise.

3.8 While personal conflicts of interest could arise in the context of GCERF decision-making, the kinds of conflict of interest that are more likely to arise are *institutional*. These occur in instances where the interests of the partner institution that a Board member represents (e.g. donor country governments, beneficiary country governments, civil society organisations, think tanks, corporations, etc.) may impair, or have the potential to impair, his or her judgment in a way that benefits his or her government/institution rather than GCERF as a whole. Some

examples of the conflicting interests of the partners participating in GCERF governance structures are provided below.

- **Donor Countries:** Donor countries may have strategic or other concerns that may influence them to look more favourably on policies that benefit a certain region or provide grants to certain “priority” countries for their governments. Bilateral donors may also have been involved in developing a funding proposal at the country level. Loyalty to one’s institution/country or protection of its reputation may have a significant potential to affect the judgment of a decision-maker.
- **Beneficiary Countries:** Beneficiary countries may favour policies that would benefit them or their region (or other members of their constituency); voting on grants raises a unique set of potential conflicts of interest, as a beneficiary country Board member may be put in the position of approving a grant to his or her own country, potentially benefiting not only his or her institution (i.e. a governmental department) but also *personally* if grant funds may be contributing to his or her salary or other benefits.
- **Civil Society Organisations:** Civil society organisations (“CSOs”) may have a particular interest in policies that benefit non-governmental actors; with regard to funding decisions, a CSO may potentially be direct or indirect grantees of GCERF or a service provider to a grantee.
- **Think Tanks, Private Sector and Foundations:** Similar to CSOs, private sector actors may have particular interests that benefit private businesses; they may personally benefit from GCERF as a supplier of goods or services in a GCERF-supported initiative. Foundations and think tanks have their own policy agendas that may not accord with those of GCERF.
- **Constituency Conflict:** A type of conflict that may arise for all governance participants includes a person using his or her position within a constituency to block the participation of others in the affairs or discussions of the constituency in order to advance a position that serves him or herself or his or her organisation.
- **Executive Director and other Senior Secretariat Staff:** Although they only facilitate decision-making by the Board and do not vote on the decisions, Secretariat members are subjected to possible conflict of interest on a frequent basis as the day-to-day facilitators of the work of GCERF. Their roles subject them to possible influence from gifts and other benefits from potential grantees and/or suppliers.

3.9 The proposed policy also applies the members of the **Independent Review Panel (IRP)**. This is the case even though they do not make decisions, but only recommendations to the Board. The Board-approved IRP Terms of Reference also contain additional ethics and conflict of

interest provisions in Section D¹, and each member is required to sign an acknowledgment that s/he will comply with them.

Proposed Policy

3.10 The proposed Policy on Ethics and Conflict of Interest, presented in **Annex 1** to this paper, begins with a preamble that sets out the importance of the involvement of all GCERF stakeholders, including beneficiary and donor governments, for profit and not-for-profit enterprises, and the international and intergovernmental community. The purpose of the policy is to ensure that conflicts of interest are identified and managed in a way that maintains broad public trust and confidence in the decision-making and operations of GCERF, the highest standard of ethical conduct in GCERF's affairs and the protection of the reputation and integrity of GCERF.

3.11 The Policy applies to all persons that fall under the definition of a "Covered Individual", which includes Board Members, Alternate Board Members, international Independent Review Panel members, and members of a Board committee, task force, review panel or any subsidiary body of GCERF. In addition, the policy applies to any GCERF Secretariat member (including the Executive Director) who is a professional employee (i.e. with decision-making power).

3.12 The Policy requires Covered Individuals to disclose potential or actual conflict of interest to an Ethics Officer appointed by the Executive Director. This is done on an annual basis by completing a declaration form (which is attached to the policy), and then thereafter when any particular conflict of interest arises.

3.13 The Policy refers to an Ethics Committee of the Board, to be established, that will make decisions regarding a conflicted person's involvement in any particular matter, including the need to recuse themselves from discussions and/or, in the case of Board members, voting on any particular matter.

3.14 The Policy also prohibits a Covered Individual from receiving anything of value to influence his/her decision-making with regards to GCERF. It also requires a one-year "cooling off" period for persons who have acted as Board Members, Alternate Board Members or committee members from applying for an appointment or secondment to the Secretariat, subject to waiver by the Ethics Committee. This is meant to prevent such persons from placing undue influence on the Executive Director while they are in a position of authority as a governance participant with regards to appointments or secondments. It also imposes a one-year post-employment restriction for any Secretariat member on working for any contractor or vendor of goods to GCERF. This protects the integrity of procurement processes (to be developed).

¹ Posted on the GCERF website at <http://www.gcerf.org/wp-content/uploads/Independent-Review-Panel-Terms-of-Reference1.pdf>.

4. NEXT STEPS

Should the Board approve the proposed decision, the Executive Director will appoint an Ethics Officer in the Secretariat who will disseminate the Declaration of Interest Form to Covered Individuals as soon as possible. In addition, the Chair will solicit Board members to join the Ethics Committee. The proposed membership will be recommended by the Chair to the Board for approval using a no objection email process as soon as possible.

5. EFFECT ON OPERATING EXPENSES

All costs related to the implementation of the Policy have been incorporated into the operating expenses budget for 2015.

ANNEX 1: POLICY ON ETHICS AND CONFLICT OF INTEREST

1. General Principles

- 1.1 A public-private partnership, GCERF is the first global effort to support local, community-level initiatives aimed at strengthening resilience against violent extremist agendas. To achieve its mission, GCERF recognizes the need to involve many stakeholders interested in and affected by its mission. This includes beneficiary and donor governments, civil society organisations, and private sector organizations. This fact is reflected in the composition of the GCERF Governing Board (the “Board”). Due to the diversity of interests and perspectives represented by these stakeholders, it is particularly important that GCERF operates in a balanced, ethical, collaborative, transparent and open manner.
- 1.2 Conflicts of interest – of varying degrees of significance or nature – can and do exist or appear to exist in the activities of most organisations, and may exist in circumstances where no unethical or improper act results from such conflicts. The purpose of this Policy is to ensure that such conflicts are identified and managed in a way that maintains broad public trust and confidence in the decision-making and operations of GCERF, the highest standard of ethical conduct in GCERF’s affairs, and the protection of the reputation and integrity of GCERF.
- 1.3 GCERF recognises that the representative nature of its Board and other governance bodies results in inherent conflicts of interest when members must consider matters that have a direct result on the interest of governments, corporations, or organisations that hold governing positions in GCERF. GCERF recognizes that these institutional conflicts of interest must be managed with the highest degree of integrity to safeguard against any perception that participation by a government, corporation or organisation in any position at GCERF confers an undue advantage for such entities in GCERF’s decisions.

2. Definitions

- 2.1 *Covered Individual* means any member or alternate member of the Board, a member of the international Independent Review Panel and any other Board committee, task force, review panel or any subsidiary body of GCERF, and any member of the GCERF Secretariat staff who is a professional employee.
- 2.2 *Associated Individual* means a Covered Individual’s spouse, domestic partner or minor child.
- 2.3 *Associated Institution* means (i) any organisation, corporation or government in which a Covered Individual is serving as an officer, director, trustee, partner or employee that receives or may receive funding from GCERF or with which GCERF has an agreement, contract, grant, or relationship; or (ii) any person, organisation, corporation, government or similar institution with whom a Covered Individual is negotiating or has an arrangement concerning prospective employment.
- 2.4 *To participate personally* means to participate directly or attempt to influence the outcome of a decision-making process, or the direct and active supervision of a subordinate in a

matter. *To participate substantially* means that the Covered Individual's involvement is of significance to the matter.

- 2.5 *Gift* means any gratuity, favour, discount, entertainment, hospitality, loan, forbearance, honorarium or other item having monetary value. These include services as well as gifts of training, transportation, local travel, lodging and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.
- 2.6 *Ethics Committee* means the standing committee of the Governing Board, to be established under terms of reference and membership approved by the Governing Board.
- 2.7 *Ethics Officer* means the member of the GCERF Secretariat staff appointed by the Executive Director to assist the Ethics Committee in its work and implement this Policy on Ethics and Conflict of Interest.

3. Conflicts of Interest

A conflict of interest arises when a Covered Individual participates personally and substantially in any particular GCERF matter in which, to his or her knowledge, he or she or an Associated Individual or an Associated Institution has a financial, professional or other interest, if the particular matter may have a direct and predictable effect on that interest. In general, without limitation, conflicts may be deemed to exist in the following situations:

- Where a Covered Individual's financial interest, or the interests of an Associated Individual or Associated Institution, could affect the conduct of his or her duties and responsibilities with respect to GCERF or result in a reasonable perception that such conflict exists;
- Where a Covered Individual's actions compromise or undermine the trust that the public places in GCERF; or
- Where the Covered Individual's actions create the perception that the Covered Individual is using his or her position at GCERF for personal benefit or the direct financial benefit of an Associated Individual or Associated Institution.

Specific examples of such conflicts include, but are not limited to:

- Members of the Governing Board (or body designated by the Governing Board to make grant funding decisions) advocating for approval of a particular grant in which his or her government, entity or organisation will receive funding and/or play a direct implementation role or realize some other direct financial benefit;
- Board members advocating for approval of a particular policy from which his or her government, entity, or organisation will realize some direct financial benefit;

- Board Members or Secretariat staff using their position on the Governing Board to advocate for or otherwise seek approval of any service contract between GCERF and an Associated Institution; or
- Members of the Independent Review Panel who are employees of a government, corporation or organisation participating in the assessment of a funding application in which an Associated Institution has any substantial interest.

Conflicts of interest do not in principle arise when a Covered Individual or Associated Individual or Associated Institution stands to receive a diffuse benefit from the actions in question. For example, a Board member does not have a conflict of interest based on his or her consideration of a proposal if his or her country would realize general benefits from receiving grant funds, or in which non-governmental entities incorporated in his or her country would receive diffuse benefits as a result of the grant, but in which the government or its entities would not directly participate in its implementation.

These examples are only illustrative, and are not intended to set out all instances where an actual or potential conflict exists, but rather to articulate the principles GCERF will follow in addressing such conflicts as they arise. Each situation will be assessed by the persons set out below based on its particular facts and circumstances. Decisions will be governed by the guidelines set out in this Policy, which applies to all activities sponsored or supported by GCERF, public and private, for profit and not-for profit alike.

4. Transparency and Disclosure

- 4.1 All Covered Individuals have a duty to disclose the existence of any actual or potential conflicts of interest, including those that derive from an Associated Individual or Associated Institution and the nature of such conflict, whenever he or she becomes aware that a conflict exists, that a conflict is reasonably likely to occur, or where it is reasonable to conclude that there is an appearance of a conflict. Covered Individuals are encouraged to consult with the Ethics Officer if questions arise in the application of this Policy.
- 4.2 All Covered Individuals must complete and submit a Declaration of Interest Form (in the form attached to this Policy) to the Ethics Officer upon taking on a role that fits within the definition of Covered Individual, and to update the Declaration of Interest Form on an annual basis thereafter.
- 4.3 Completed Declaration of Interest Forms shall be kept in a secure location and will be maintained by the Ethics Officer and made available for inspection by the Executive Director and Ethics Committee only as strictly necessary to administer this Policy. Except as provided for herein, all Declaration of Interest forms shall be maintained as strictly confidential.

- 4.4 The Ethics Officer shall review submitted Declaration of Interest Forms and identify situations in which an actual or a potential conflict of interest exists as a result of the Covered Individual's activities or holdings in relation to his or her official responsibilities.

5. Procedure When a Conflict of Interest Arises

- 5.1 The Ethics Committee, with the assistance of the Ethics Officer, shall review submitted disclosures (including those contained in the Declaration of Interest Forms) and decide whether an actual or potential conflict of interest exists and, if so, whether to issue a waiver defining the extent to which such Covered Individual may participate in any discussion of the issue that has given rise to the conflict. The Ethics Committee may also, at its discretion, bring any conflict of interest issues to the entire Governing Board (excluding the individual or individuals with potential conflicts) for discussion and determination.

- 5.2 When it is determined that an actual or potential conflict of interest exists, the Covered Individual shall not participate in the matter that has given rise to the conflict absent a waiver from the Ethics Committee. Waivers may be granted in the following forms, or in any other form appropriate under the circumstances:

- **Conditional Participation:** This type of waiver allows a Covered Individual to continue his or her involvement in the matter that has given rise to the conflict after disclosing his or her interest at the start of work on the matter, subject to any conditions imposed to safeguard against risks that arise from the conflict or appearance thereof; or
- **Partial exclusion:** This type of waiver limits the Covered Individual's involvement in the matter by: (i) excluding the Covered Individual from the portion of the meeting or work where a conflict of interest has been identified; (ii) excluding the Covered Individual from participating in any final decision-making process; (iii) requiring the Covered Individual to remove the conflict such as by divestiture of an asset or resignation from a position; or (iv) limiting the Covered Individual's participation in the matter in any other manner deemed appropriate.

The names of Covered Individuals with actual or potential conflicts of interest who participate in a particular meeting, and the issue on which there is a conflict, shall be recorded in the minutes for that meeting.

- 5.3 Should a Covered Individual be found to have an actual or potential conflict of interest that has not been disclosed, or should the Ethics Officer, after consulting the Ethics Committee, have reasonable cause to believe that a Covered Individual has failed to disclose an actual or potential conflict of interest, the Ethics Officer, on behalf of the Ethics Committee, will inform the Covered Individual of the basis for such belief and provide him or her with the opportunity to explain the alleged failure to disclose. If, after hearing the response and making further investigations as may be warranted, the Ethics Committee determines that

the interested person has in fact failed to disclose an actual or potential conflict of interest, it shall notify the Governing Board.

6. Gifts

6.1 All Covered Individuals and Associated Individuals are prohibited from accepting Gifts under circumstances where it could reasonably be construed that the Gift is motivated by the position of the Covered Individual in GCERF. All Covered Individuals and Associated Individuals are prohibited from giving gifts where it could reasonably be construed that the Gift is intended to affect the policies or practices of GCERF or any of the activities it funds. The Ethics Committee may waive this provision as appropriate.

6.2 Exception

- a. A Covered Individual may accept an unsolicited Gift on behalf of GCERF when, in his or her judgment, refusal to do so would not be in the interest of GCERF. Gifts accepted on behalf of the Secretariat shall be handled under procedures developed by the Secretariat.
- b. As part of their official functions, Covered Individuals may be expected to attend events such as widely-attended meetings, official meals and receptions. Benefits associated with such attendance shall generally not be considered to be a Gift, subject to detailed guidance that the Executive Director may issue.

7. Outside Activities

7.1 Prior to accepting an office or occupation outside his or her employment duties at GCERF or accepting an honour or decoration provided by an outside party if the proposed action may give rise to an actual or potential conflict of interest:

- a. the Executive Director shall request the authorization of the Chair; and
- b. all other members of the GCERF Secretariat shall request authorization of the Executive Director.

7.2 Authorization may be granted to accept or hold an office or occupation outside of his or her employment duties at GCERF, or to accept an honour or decoration provided by an outside party by:

- a. the Executive Director in consultation with the Ethics Committee, in the case of a Secretariat staff member; or
- b. the Chair, in consultation with the Ethics Committee, in the case of the Executive Director.

8. Employment at GCERF Secretariat

Any individual who has served as a Board Member, Alternate Board Member or other participant in any GCERF governance structure (including the international Independent Review Panel) shall not be eligible for employment by GCERF until one year following their last date of service in such position. The Ethics Committee may waive this provision as appropriate. A request for such a waiver must be submitted by the concerned individual to the Ethics Committee before he or she applies for employment at GCERF. The Secretariat shall not take action on or accept the application for employment from such an individual unless a waiver has been granted by the Ethics Committee.

9. Post-Employment Restrictions

For a period of one year following separation from service, former employees who have participated in GCERF procurement processes are prohibited from seeking or accepting employment with, or otherwise accept any form of compensation or financial benefit from, any contractor or vendor of goods and services, regardless of location, which conducts business with GCERF or seeks to do so and with whom such employee have been personally involved in the procurement process during the last three years of service with GCERF.

10. Dissemination of Policy

- 10.1 The Secretariat shall distribute a copy of this policy to all Covered Individuals annually, along with a copy of the Declaration of Interest Form.
- 10.2 Copies of this policy and the Declaration of Interest Form shall be posted on the GCERF website.

ANNUAL DECLARATION OF INTEREST FORM

Name: _____

Position in GCERF: _____

1. Overview

The Policy on Ethics and Conflict of Interest requires Board Members, Alternate Board Members, Board committee members, members of the international Independent Review Panel, and any other governance body of GCERF, as well as professional GCERF Secretariat staff to file a declaration of interest upon taking up such role and to update it on an annual basis thereafter.

The following sections will review the types of declarations required and provide space for you to list, to the best of your knowledge, any interests that may create an actual, perceived, or potential conflict of interest.

Questions on these declarations may be submitted to the Ethics Officer at ethics@gcerf.org.

2. Institutional Interests

Please list below any organisation, corporation or government in which you are serving as an officer, director, trustee, partner or employee (or are negotiating to become an employee) that receives or may receive funding from GCERF or with which GCERF has an agreement, contract, grant, or relationship. GCERF must be aware of these associations to ensure that you do not inappropriately participate in a decision-making process on GCERF’s behalf to potentially conduct business with such entity.

Current Position	Entity	Period of Position

3. Personal/Financial Interests

Please list below any personal or financial interest (including ownership or investment interest, direct or indirect compensation arrangement, substantial gifts, senior leadership or board member position) that you or a family member has in which you or a family member would receive a personal or financial benefit as a result of that relationship with GCERF.

Name and family relationship, if applicable	Position/Interest	Entity	Business conducted with GCERF

4. Other Declarations

Please list any other information that GCERF should know in order to ensure your compliance with the Policy on Ethics and Conflict of Interest.

5. Signature

As a Covered Individual (as defined in the Policy on Ethics and Conflict of Interest), I hereby acknowledge that I have received a copy of the Policy on Ethics and Conflict of Interest and that I have read, understand and agree to comply with it. I undertake to update the information requested in this form in the event of any material changes to my circumstances.

Signature: _____

Date: _____

ANNEX 2

ETHICS COMMITTEE Terms of Reference

A. PURPOSE

The Ethics Committee is a standing committee established by the Governing Board of Global Community Engagement and Resilience Fund (the “Board”) to oversee the administration and enforcement of the Policy on Ethics and Conflicts of Interest (the “Ethics Policy”).

B. MEMBERSHIP

1. **Size.** The membership of the Ethics Committee shall be composed of a maximum of 5 (five) members, including its Chair.

2. **Appointment of Members.** The Board Chair shall consult with the Board to seek nominations for members of the Ethics Committee, including its Chair. Ethics Committee members may be Board Members, Alternate Board Members, or other members of Board constituencies. To the extent possible, the membership should reflect the wide array of constituencies represented on the Board.

The Board Chair shall propose the Ethics Committee membership, including the Ethics Committee Chair, to the Board for approval, using any appropriate decision-making mode including the no objection email process outlined in Article 2.9a of the Bylaws.

3. **Membership Term.** Committee members shall serve a term of two years or until a successor has been appointed.

4. **Vacancies.** A vacancy in the Ethics Committee resulting from death, resignation, disqualification or other reason, shall be filled in the same manner in which the original holder of that office or position was appointed or selected. Individuals selected or appointed to fill vacant positions shall hold such positions for the unexpired term of their predecessor.

5. **Assessment.** Each Ethics Committee member shall remain engaged and diligent in the performance of his/her responsibilities. Accordingly, each individual serving in such a role shall be subject to the assessments by the Ethics Committee Chair. If such assessments determine that the individual has not fulfilled his/her responsibilities, including, without limitation, failing to attend meetings and participate in discussions, the Ethics Committee Chair may request the relevant constituency to put forward a permanent replacement to complete the individual’s term or remove the constituency from the committee and seek a replacement for the vacant committee seat in accordance with these terms of reference.

C. ROLES AND RESPONSIBILITIES

The Ethics Committee has the following roles and responsibilities delegated by the Board:

- a. overseeing the administration of the Ethics Policy;
- b. fulfilling the tasks of the Ethics Committee delineated in the Ethics Policy; and
- c. undertaking any other responsibility or task delegated to it by a Board decision.

D. MEETINGS

1. **Frequency.** The Ethics Committee may meet as needed to fulfil its responsibilities under the Ethics Policy.

2. **Modes.** Ethics Committee meetings shall generally be held by audio-conference. At the discretion of the Ethics Committee Chair, they may be held face-to-face, by video conference or any other electronic communication medium that allows a committee member to follow and contribute to meeting discussions as they occur in real time. The Ethics Committee Chair shall decide on the medium used for each meeting.

3. **Notice.** Notice of Ethics Committee meetings shall be provided at least ten calendar days prior to the start of the meeting.

4. **Quorum.** The Ethics Committee may conduct business only when its Chair and a majority of committee members are present.

5. **Secretariat Attendance.** The Executive Director and the Ethics Officer shall attend meetings of the Ethics Committee, unless the Ethics Committee Chair decides otherwise. Attendance by other Secretariat members shall be decided by the Executive Director, in consultation with Ethics Committee Chair.

6. **Delivery of Meeting Materials.** The Secretariat shall distribute meeting materials to ensure receipt by committee members at least one week in advance of the start of the meeting.

E. DECISION-MAKING

The Ethics Committee Chair shall use best efforts to ensure that the committee reaches all decisions by consensus. If the Ethics Committee Chair believes there is a clear consensus, he or she shall restate the decision/recommendation and declare that the

committee has reached consensus. If the Ethics Committee Chair believes the debate is too close to reach a consensus, he or she may decide to defer the matter to a later date. The Ethics Committee Chair will use all practical efforts to achieve a consensus by encouraging amendments that meet the concerns of all sides of the debate.

F. REPORTING TO THE BOARD

The Ethics Committee Chair shall report on the activities and decisions of the Ethics Committee at each of the face-to-face meetings of the Board.

G. APPLICATION OF ETHICS POLICY TO COMMITTEE MEMBERS

Ethics Committee members are subject to the Ethics Policy. Should a matter arise on the agenda of the Ethics Committee that involves one of its members, the Ethics Committee Chair shall determine whether such member shall be excluded from the discussion of the matter. If a matter arises on the agenda of the Ethics Committee that involves the Ethics Committee Chair, the Board Chair shall determine if the Ethics Committee Chair shall be excluded from the discussion of the matter and, if so, the Board Chair shall chair the agenda item without the presence of the Ethics Committee Chair.

H. AMENDMENT

This document may be amended upon approval by the Board.