

Conflicts of Interest

The *University of Western Ontario Act (1982, as amended in 1988 and 2016)* (the Act), Section 17 sets out the parameters of conflict of interest for members of the Board.

In addition, common law holds that once a person becomes a director (as in the case of a member of Western's Board of Governors), that person is, at law, "no one's nominee".

A director is expected to act in the interest of the company or institution, and not in their own interest. In other words, a director owes a duty of loyalty to the organization on whose board they serve. This duty and personal interest must not conflict.

The University of Western Ontario Act, Section 17

17.(1) A member of the Board who has an interest, directly or indirectly, in any contract, transaction, proposed contract or proposed transaction under consideration by the Board or a committee created by it shall,

- (a) declare the nature and extent of the interest as soon as possible and no later than the meeting at which the matter is to be considered;
- (b) refrain from taking part in any discussion or vote in relation to the matter; and
- (c) withdraw from the meeting when the matter is being discussed if requested to do so by a majority of the members present at the meeting.

(2) A member of the Board who is an employee of the University or whose spouse is an employee of the University may take part in discussions and vote on all matters relating generally to the financial operation of the University, other than matters referred to in subsection (3) or matters in which the member's interest or the interest of the member's spouse is not the same or substantially the same as that of other employees of the University.

(3) No member of the Board, other than the President or a Vice-President appointed under clause 9(1)(i), who is an employee or whose spouse is an

(4) Where the Board or a committee of authority is of the opinion that a conflict of interest exists, the Board or committee may declare that a conflict of interest exists and may direct members present at the meeting

- (b) withdraw from the meeting when the matter is being discussed if requested to do so by a majority of the members present at the meeting.

