

Clinical Hypnotherapy and Psychotherapy Association Ltd (The CHPA)
DIRECTORS' CODE OF CONDUCT AND POLICY ON CONFLICTS OF INTEREST

SECTION 1 GENERAL

1.1 **Application.** This Directors' Code of Conduct and Policy on Conflicts of Interest (the "Code") has been approved by the board of directors, the National Executive Committee (the "NEC") of the Company. The Code is intended to govern the conduct of Directors of the Company. It also sets out guidelines for avoiding and disclosing conflicts of interest.

1.2 **Definitions.** Unless otherwise specified, the words and expressions used in this Code shall have the same meaning as in the Memorandum and Articles of Association of the Company.

1.3 The provisions of this Code are intended to complement and enhance in a consistent manner, the requirements that arise at law and from the policies of the Company.

SECTION 2

DUTIES AND RESPONSIBILITIES OF INDIVIDUAL DIRECTORS

2.1 **Responsibilities.** Each Director is expected to become an active participant in a Committee that functions effectively as a whole. A Director is responsible to:

- (a) Be informed of the constitutional documents and legislation under which the Company exists, mission, values, codes of conduct, and policies as they pertain to the duties of a Director;
- (b) Keep generally informed about the activities of the Company and general trends in the hypnotherapy and psychotherapy area in which it operates;
- (c) Attend Committee meetings regularly, serve on committees of the Company and contribute from personal, professional and life experience to the work of the Committee;
- (d) Exercise, in the performance of their duties, the degree of care, diligence and skill required of a Director pursuant to the laws under which the Company is incorporated
- (e) Be independent and impartial;
- (f) Not be influenced by self-interest, outside pressure, expectation of reward or fear of criticism;
- (g) Act with honesty and integrity and conduct his or herself in a manner consistent with the nature and the responsibilities and the maintenance of public confidence in the conduct of the Committee's business;
- (h) Offer his or her personal perspectives and opinions on issues that are the subject of Committee discussion and decision;
- (i) Voice, clearly and explicitly at the time a decision is being taken, any opposition to a decision being considered by the Committee;
- (j) Maintain solidarity with fellow Directors in support of a decision that has been made in good faith in a legally constituted meeting, by Directors in reasonably full possession of the facts;
- (k) Ask the Directors to review a decision, if he or she has reasonable grounds to believe that the

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Committee has acted without full information or in a manner inconsistent with its fiduciary obligations, and, if still not satisfied after such review, ask that the matter be placed before the membership;

- (l) Work with the staff of the Company on committees or task forces of the Committee;
- (m) Know and respect the distinction in the roles of Committee and staff consistent with the principles underlying these governance policies;
- (n) Exercise vigilance for and declare any apparent or real personal conflict of interest in accordance with the Company's policies, and in particular with this Code; and
- (o) Comply with all other codes and policies approved by the Committee from time to time.

2.2 **Conduct of Directors.** A Director will at all times conduct his or herself in a manner that:

- (a) Supports the objectives of the Company;
- (b) Serves the overall best interests of the Company;
- (c) Subordinates his or her personal interests, and those of any particular constituency, to the best interests of the Company;
- (d) Brings credibility and goodwill to the Company;
- (e) Respects principles of fair play and due process;
- (f) Demonstrates respect for individuals and human rights;
- (g) Respects and gives fair consideration to diverse and opposing viewpoints;
- (h) Demonstrates due diligence and dedication in preparation for, and attendance at, meetings, special events and in all other activities on behalf of the Company;
- (i) Demonstrates good faith, prudent judgement, honesty, transparency and openness in his or her activities on behalf of the Company;
- (j) Ensures that the financial affairs of the Company are conducted in a responsible and transparent manner with due regard for his or her fiduciary responsibilities and public trusteeship;
- (k) Avoids real or perceived conflicts of interest;
- (l) Conforms with the policies approved by the Committee, in particular this Code and Confidentiality Agreement.

SECTION 3

CONFLICT OF INTEREST GUIDELINES

3.1 Integrity. These Conflict of Interest Guidelines are intended to ensure the highest standards and maintenance of the integrity of the Committee. Directors shall act at all times in the best interests of the Company rather than in the interests of particular constituencies. This means putting the interests of the Company ahead of any personal interest or the interest of any other person or entity. It also means performing his or her duties and transacting the affairs of the Company in such a manner that promotes public confidence and trust in the integrity, objectivity and impartiality of the Committee.

3.2 No Pecuniary Benefit.

- (a) No Director shall directly or indirectly receive any profit from his or her position as such, provided that, notwithstanding anything herein contained to the contrary, Directors may receive reimbursement for reasonable expenses incurred by them in the performance of their duties as permitted in the Articles of Association and approved by the Committee.

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(b) The pecuniary interests of immediate family members (including the immediate family members of a Director's partner) or close personal or business associates of a Director are considered to also be the pecuniary interests of the Director.

3.3 Definition of Conflict of Interest.

(a) A conflict of interest refers to situations in which personal, occupational or financial considerations may affect, or appear to affect, a Director's objectivity, judgment or ability to act in the best interests of the Company and includes conflicts as described in subsection 3.04 hereof.

(b) A conflict of interest may be real, potential or perceived in nature.

(c) A real conflict of interest arises where a Director has a private or personal interest, for example, a close family connection or financial interest.

(d) A potential conflict of interest may arise when a Director has a private or personal interest such as an identified future commitment.

(e) A perceived or apparent conflict of interest may exist when a reasonable, well informed person has a reasonable belief that a Director has a conflict of interest, even if this or here is no real conflict.

(f) Full disclosure, in itself, does not remove a conflict of interest.

3.4 Examples of Conflict of Interest on the Part of a Director.

The following examples constitute Conflicts of Interest under this Code:

(a) Any circumstance that may result in a personal or financial benefit to a Director or his family, business associate or friend. This includes, but is not limited to, accepting any payment for services rendered to the Company other than payment for services of a Director as permitted in this Code, including contracted work or honoraria; or accessing financial or other resources for personal use, i.e. transportation, training costs, supplies, equipment, etc.

(b) Personal interests which conflict with the interests of Members of the Company or are otherwise adverse to the interests of the Company.

(c) Seeking, accepting or receiving any personal benefit from a supplier, vendor or any individual or organization doing or seeking business with the Company.

(d) Being a member of the Committee or staff of another Company, organization or individual Person which might have material interests that conflict with the interests of the Company or its Members; and, dealing with matters on one Committee which might materially affect the other Committee.

(e) Any involvement in the hiring, supervision, grievance, evaluation, promotion, remuneration or firing of a family member, business associate, or friend of the Director.

3.5 Principles for Dealing with Conflict of Interest.

(a) Both prior to serving on the Committee and during their term of office, Directors must openly disclose a potential, real or perceived conflict of interest as soon as the issue arises and before the Committee or its sub-committees dealing with the matter at issue.

(b) If the Director is not certain whether he or she is in a conflict of interest position, the matter may be brought before the Executive Committee for advice and guidance.

(c) If this or here is any question or doubt about the existence of a real or perceived

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conflict, the Committee will determine by majority vote if a conflict exists. The Director potentially in conflict of interest shall be absent from the discussion and shall not vote on the issue.

(d) It is the responsibility of other Directors who are aware of a real, potential or perceived conflict of interest on the part of a fellow Director to raise the issue for clarification, first with the Director in question and, if still unresolved, with the Chair of the Committee, and if not then resolved, with the full committee.

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(e) The Director must abstain from participation in any discussion on the matter, shall not attempt to personally influence the outcome, shall refrain from voting on the matter and, unless otherwise decided by the Committee, must leave the meeting room for the duration of any such discussion or vote.

(f) The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting. The time the Director left and returned to the meeting shall also be recorded.

3.6 Gifts and Hospitality. Directors shall not directly or indirectly offer or accept cash payments, gifts, gratuities, privileges or other personal rewards, which are intended to influence the activities or affairs of the Company. Directors may, however, give or receive modest gifts or hospitality as a matter of general and accepted business practice, provided the foregoing does not include cash or other negotiable instruments and provided further proper accounting of any such expenses is made.

3.7 Complaints and Disputes Involving Directors.

(a) The Executive Committee, in a meeting duly called for the purpose, shall review any complaints that a Director has violated any provision of the Company's Bylaws, or policies approved by the Committee, in particular, this Code and Confidentiality Agreement.

(b) The Executive Committee shall similarly review disputes between Directors that interfere with the ability of the Committee to carry on its affairs.

(c) Complaints of a grave nature will be referred to the Chairman of the Chartered Institute of Arbitrators.

(d) Allegations of illegal activity shall be immediately referred to appropriate authorities for investigation. Any Director against whom such allegations are made shall take a leave of absence from the Committee pending completion of the investigation.

(e) The review of such complaints or disputes shall include an opportunity for the Director concerned to present his or her position. Executive Committee members who originate or are the subject of such complaints or disputes must declare their conflict and excuse themselves from such meetings (but shall nonetheless be counted as part of the quorum).

(f) Every attempt should be made to resolve such matters expeditiously and fairly.

(g) The recommendations regarding resolution of such matters shall be brought to the Committee for approval.

(h) The ruling of the Committee shall be final. If the Director refuses to abide by the ruling, the Committee may table the matter pending determination of disciplinary action. Such action may include formal or informal censure by the Chair or the Committee, suspension, a request for the Director's resignation or a resolution removing the person as a Director.

SECTION 4
CONFIDENTIALITY

4.1 Confidential Information. It is the responsibility of Directors to know what information is confidential and to obtain clarification when in doubt. Except as she may be compelled by applicable legal process, a Director must, both while having and after ceasing to have that status, treat as confidential all information regarding the policies, internal operations, systems, business or affairs of the Company obtained by reason of his or her status as a Director and not generally available to the public. A Director shall not use information obtained as a result of his or her involvement on the

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Committee for his or her personal benefit. Each Director shall avoid activities which may create appearances that he or she has benefited from confidential information received during the course of his or her duties as a Director.

4.2 Review of Code. Each Director, forthwith after being elected, shall meet with the Company Secretary or another person appointed by the board for this purpose, to review this Code and such other policies of the Company that apply to Directors.

4.3 Confidentiality Agreement. Each Director is required to sign and agree to comply with the Confidentiality Agreement, in the form attached hereto as Schedule "A".

Clinical Hypnotherapy and Psychotherapy Association Ltd (The
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Schedule "A"
Confidentiality
Agreement

I, _____, a Director of Clinical Hypnotherapy and Psychotherapy Association Ltd, declare that I have read, understood and agree to comply with the Company's Code of Conduct, Policy on Conflicts of Interest and other applicable policies, and that in carrying out my duties as a Director, I will:

1. Exercise the powers of my office and fulfil my responsibilities honestly, in good faith and in the best interests of the Company.
2. Exercise these responsibilities, at all times, with due diligence, care and skill in a reasonable and prudent manner.
3. Respect and support the Company's, policies, Code of Conduct, Policy on Conflicts of Interest and decisions of the National Executive Committee and Membership.
4. Keep confidential all information unless the Committee of Directors determines that such information is public. This shall include, but not be limited to, information about personnel, members, any personal information, and matters dealt with during meetings of the National Executive Committee.
5. Conduct myself in a spirit of collegiality and respect for the collective decisions of the Committee and subordinate my personal interests to the best interests of The CHPA.
6. Immediately declare any personal conflict of interest that may come to my attention.
7. Immediately resign my position as a member of the National Executive Committee in the event that I, or my colleagues on the Committee, have concluded that I have breached this agreement

Signature: _____ Date: _____

Witness: _____ Date: _____