
Australian Digital Currency Commerce Association (ADCCA)

Conflict of Interest Policy

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1 Who does this policy apply to?

1.1 Introduction

This policy applies to:

- each director of ADCCA;
- each senior employee of ADCCA;
- each member of the ADCCA Code of Ethics Review Committee; and
- each member of any other ADCCA committee or advisory group that the ADCCA board of directors determines should be bound by this policy.

1.2 Your duty as a director or senior employee

Being a director or senior employee of ADCCA, one of your key duties is to act in the best interests of ADCCA in a way that is consistent with the law and ADCCA's constitution. A significant element of this duty relates to identifying and appropriately managing conflicts of interest.

You are also responsible for ensuring that this policy is implemented and followed.

1.3 Your duty as an employee, volunteer or committee member

Being an ADCCA employee, volunteer or committee member, you do not have the same overall legal duties to ADCCA as directors and senior employees, unless you are also a senior employee or director of course.

However, this policy is binding on you, meaning that we still expect you to identify, report and manage conflicts of interests in accordance with this policy.

1.4 Your duty as a member of the Code of Ethics Review Committee

Being a member of the ADCCA Code of Ethics Review Committee, one of your key duties is to ensure that you perform your role in an independent, objective and unbiased way. Part of this requires you to identify, report and appropriately manage conflicts of interest.

1.5 Aims of the policy

This policy aims to:

- help to ensure that you and ADCCA comply with requirements relating to disclosure and handling of interests; and
- protect you and ADCCA from any appearance of impropriety.

2 The Policy

You must avoid any action, position or interest that may give rise to a real or apparent conflict with the interests of ADCCA or that may otherwise affect your ability to perform your role.

Any personal interests (see part 3) must be disclosed in accordance with the procedures set out in part 4 so that any situation of actual or potential conflict can be dealt with as required.

3 What interests need to be disclosed?

In broad terms, you need to disclose any interest that could, or could reasonably be perceived to:

- affect your ability to act in ADCCA's best interest; or
- conflict with the proper performance of your duties.

Examples of personal interests which need to be disclosed include, but are not limited to:

- your employment outside ADCCA
- a personal or professional relationship with or duty to an ADCCA member that is the subject of an ADCCA Code of Ethics review or appeal;
- directorships of other companies or organisations that may have dealings with ADCCA;
- direct or indirect interests you have in businesses which supply goods or services to ADCCA;
- direct or indirect interests you have in any lease for a premises that ADCCA is to, or does, occupy;
- you standing to benefit, financially or otherwise, from a transaction or arrangement between ADCCA and you or a third party; and
- interests of family members of any of these types.

You do not need to disclose:

- an interest which arises because you are a member of ADCCA, so long as the interest is held in common with the other members of ADCCA;
- an interest which arises merely because you are a guarantor or have given an indemnity or security for all or part of a loan (or proposed loan) to ADCCA;
- an interest which relates to a directors and officers insurance policy taken out by ADCCA; and

- interests which have already been disclosed, so long as the nature and extent of the interest has not increased above that disclosed.

4 Disclosing personal interests

4.1 Introduction

In summary, this section requires you to:

- (a) provide initial disclosure of your interests by completing the attached Declaration Form;
- (b) update your Declaration Form whenever a change to your personal interests occur or when directed to do so by the board of directors; and
- (c) notify the relevant person of any potential conflicts of interest that may arise from time to time during the everyday activities of ADCCA or in relation to matters before the ADCCA board of directors or an ADCCA committee.

4.2 Initial Disclosure

You must provide the following information as at the date you become a director, employee, volunteer or committee member of ADCCA (**Initial Disclosure**), using the attached “Declaration of Interest and Conflict of Interest Undertaking” form (**Declaration Form**):

- details of all organisations, companies and businesses you are a member of, own, control or work for (including on a volunteer basis and including in the capacity as a director or member of a governing body such as a board or a management committee);
- details of any direct or indirect connection you have with any supplier or contractor to ADCCA;
- details of any interest, relationship or arrangement (direct or indirect, personal or professional, financial or otherwise and contractual or otherwise) that does, or could reasonably be perceived to, materially affect your ability to act in ADCCA’s best interest; and
- anything else that causes, or could cause, a conflict between your interests and the interests of ADCCA.

(together referred to as your **Personal Interests**).

4.3 On-going Disclosure

You must complete a new Declaration Form annually and promptly provide it to ADCCA’s company secretary or to such other person or office as may be identified for the handling of personal interests from time to time.

Of course, changes to your personal interest may change during the year. As such, notice of any change or addition to your personal interests must, as soon as reasonably possible, be given in accordance with the following reporting lines:

- if you are a director, senior employee or member of an ADCCA committee, to the chair of the board of directors;
- if you are an employee or volunteer, to the chief executive officer or, if there is no chief executive officer, to the chair of the board of directors (or his or her delegate); and

- if you are a member of the Code of Ethics Review Committee, to the chair of that committee, unless you are the chair, in which case you must notify the deputy-chair of that committee or, if there is no deputy-chair, the chair of the board of directors.

Regardless of the reporting lines described above, a matter relating to a personal interest that cannot be resolved may be escalated to the chair of the board of directors at any time for determination. The decision of the chair of the board of directors is final.

If you become aware of a Personal Interest which is relevant to the operations of ADCCA, a matter being considered by the ADCCA board of directors or the ADCCA Code of Ethics Review Committee, you must disclose the Personal Interest and the nature and extent of the potential for conflict in accordance with the reporting lines described above. This disclosure must be made even if you have previously disclosed the interest in the Declaration Form.

4.4 Register of Personal Interests

ADCCA will maintain a register of personal interests.

The company secretary will update ADCCA's Register of Personal Interests and provide a copy to each director:

- each time a new director is appointed or elected to the board
- after each annual disclosure of interests; and
- whenever the register is amended between annual disclosures.

Directors are then taken to have standing notice of the interests shown in the register.

Each director is responsible for ensuring that his or her own interests are properly reflected in the Register of Personal Interests and may access the register for this purpose upon reasonable notice.

No employee, volunteer, committee member or ADCCA member may access the Register of Personal Interests unless:

- that person is also a director or senior employee of ADCCA; or
- the directors otherwise determine by a special resolution.

5 Consequences of having a material interest

5.1 Introduction

A director with a material personal interest must not vote or participate in decision making unless other directors resolve to allow this.

A member of the ADCCA Code of Ethics Review Committee with a personal interest or conflict in relation to an ADCCA Code of Ethics review must not be appointed as the investigating officer for that review or vote or participate in decision making about the matter to which that interest or conflict relates.

Employees and volunteers must consult with the chief executive officer about how to manage any conflicts or, absent a chief executive officer, the chair of the board of directors (or his or her delegate).

5.2 Directors

The chair of the ADCCA board of directors will decide, in consultation with you, whether a Personal Interest is material. The chair may, at his or her discretion, refer a decision on whether an interest is “material” to the board of directors. The chair’s or board’s decision on whether a personal interest is “material” is final.

If a Personal Interest is, or could be perceived to be, a “material personal interest”, you must not be present during or take part in any deliberations or decisions of the directors with respect to the interest unless the directors (excluding any directors with a material personal interest in the matter) pass a resolution which:

- identifies the director, the nature and extent of the director's interest in the matter and its relation to the affairs of ADCCA; and
- states that those directors are satisfied that the interest should not disqualify the director from voting or being present.

If there are insufficient directors to form a quorum for a directors’ meeting because of one or more material personal interests, then the directors may:

- consider the matter to which the material personal interest relates at a future directors’ meeting; or
- call a general meeting at which the members may pass a resolution to deal with the matter.

If your Personal Interest is not of a material nature, then ADCCA’s constitution permits you to participate in any resolutions to which your personal interest relates. However, you should still consider whether it would be prudent for you to abstain from voting or absent yourself from the meeting, while the particular issue is being discussed, so there is no suggestion of impropriety.

All declarations of Personal Interests, and decisions relating to whether a director or senior employee may participate in deliberations or decisions, will be recorded in the minutes of the relevant directors’ meeting.

5.3 Committees

The procedures relating to the disclosure and handling of personal interests described for directors at part 5.2 also apply to each member of an ADCCA committee except:

- reference to the ‘chair of the board of directors’ should be read as the ‘chair of the committee’;
- reference to ‘board of directors’ should be read as ‘ADCCA committee’; and
- reference to ‘director’ should be read as ‘ADCCA committee member’.

In addition, if there are insufficient ADCCA committee members to form a quorum for a committee meeting because of one or more material personal interests, then the committee members:

- may consider the matter to which the material personal interest relates at a future meeting; and
- may not call a general meeting of ADCCA.

Any matters of personal interest that cannot be resolved by the committee may be escalated to the chair of the board of directors at any time for determination. The decision of the chair of the board of directors is final.

5.4 ADCCA Code of Ethics Review Committee

The chair of the ADCCA Code of Ethics Review Committee will decide, in consultation with you, whether a Personal Interest is material. The Chair may, at his or her discretion, refer a decision on whether an interest is “material” to the ADCCA board of directors. The chair’s or board of directors’ decision on whether a personal interest is “material” is final.

If a Personal Interest is, or could be perceived to be, a “material personal interest”, you must not be present during or take part in any deliberations or decisions or otherwise be involved with an ADCCA Code of Ethics Review.

If there are insufficient people to form a quorum for a meeting of the ADCCA Code of Ethics Review Committee because of material personal interests, then the ADCCA board of directors must take such steps as is required to increase the membership of the review committee such that a quorum of disinterested members can be reached.

5.5 Employees and volunteers

You should refer any decision which may be affected by your Personal Interests to the chief executive officer or, absent a chief executive officer, to the chair of the board of directors (or his or her delegate) for a determination of the appropriate manner in which the decision should be made.

A senior employee present at a directors’ meeting who has a material personal interest in a decision of the directors must not be present during or take part in any deliberations or decisions of the directors with respect to that interest unless the directors resolve otherwise.

6 Gifts and Hospitality

From time to time you may receive gifts or hospitality in connection with or arising from your connection with ADCCA (**Gift**).

You must wherever possible declare any Gift prior to receipt. If it is impractical or impossible to do so, you must disclose the Gift in accordance with the reporting lines described at 4.3) as soon as practicable after its receipt.

You must refuse or return (as the case may be) the Gift if directed to do so by the relevant chair or chief executive officer (as the case may be).