

# **MIOD POLICY ON RELATED-PARTY TRANSACTIONS**

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## **1. Introduction**

It is the MIOD's policy that all transactions be conducted at arm's length with any consideration paid or received by the MIOD being on terms no less favourable than market terms.

The purpose of this policy is to set out the procedures which the MIOD and any of its directors or officers should follow when entering into a related party transaction.

## **2. Application of this Policy**

This policy applies to the MIOD, its directors and officers. Related party transactions constitute a conflict of interest within the meaning of the Code of corporate governance.

## **3. Identification of Related Party Transactions**

For the purposes of this policy, a "related party transaction" is a material/commercial transaction between the MIOD and any "related party". "Related Party" includes the following:

- a. A member of the MIOD
- b. The board members of the MIOD.
- c. The CEO, and key officers, including anyone who directly reports to the board or the CEO.
- d. Any Founder, Patron, Sponsor of the MIOD.
- e. The father, mother, sons, daughters or spouse/common law spouse of any of the natural persons listed in Clauses (b c and d).
- f. Any entity, in which the natural persons listed in paragraphs (b, c, d and e) own jointly or severally at least 20% of the voting rights.

## **4. Review and Approval Procedures**

- (a) All natural persons of category 3(b) and 3(c) shall on an annual basis declare their interests to the Secretary of the MIOD.
- (b) In addition, where any person of the category 3(b) and 3(c) has, or is deemed to have, knowledge that he has or is about to enter into a related party transaction with the MIOD, he shall disclose to the CEO of the MIOD the full particulars of such conflicting interest.
- (c) If the related party is a director or CEO of the MIOD, the latter shall not be entitled to participate in and vote at board deliberations on the related transaction.
- (d) Where the nature of the related party transaction is such that it would be appropriate to obtain a simple majority members' approval, the board of the MIOD shall do the needful to convene a members' meeting as soon as possible.

## **5. Disclosure**

MIOD shall annually report to its shareholders all related party transactions

## **6. Policy Approval and Amendments**

The Audit Committee shall review and assess the adequacy of this policy at least annually and recommend for approval to the board any changes it considers are needed.

This policy will be approved by the board and any subsequent amendments will be made by the Audit Committee with the approval of the board.

This policy has been approved by the Board of the MIOD on (date).