

## FAIR Canada Donation Acceptance Policy

The Canadian Foundation for Advancement of Investor Rights (FAIR Canada) recognizes that transparency in how we engage with donors is important for maintaining FAIR Canada's integrity. It is also essential for ensuring that all stakeholders and the public understand our financial and organizational stewardship. This policy is intended to provide information about the principles and practices we have adopted relating to the acceptance of donations.

### Guiding Principles

FAIR Canada is a national, non-profit, charitable organization whose mission is to be a strong, independent, credible voice for investors in securities regulation. We are committed to advancing stronger investor protections in securities regulation.

We believe FAIR Canada can best fulfill its mission and its charitable objects through a broad base of support. Accordingly, FAIR Canada solicits and accepts donations and commitments for future donations from a variety of sources including individuals, partnerships, securities regulators, investment industry self-regulatory organizations, government agencies, foundations, charities, corporations and other entities.

FAIR Canada must always maintain its independence, integrity and objectivity. Before approaching any potential donor or accepting a donation from any source, we will identify whether doing so may give rise to a real or apparent conflict of interest, or whether FAIR Canada's mission, objects, strategic priorities, independence, integrity or objectivity may be compromised as a result.

As part of expanding its donor base, FAIR Canada is willing to consider donations from corporations and other for-profit entities. We recognize that many donors – especially corporations and others engaged in for-profit activities – have obligations to their shareholders, boards, employees and others to be successful (and act in the best interest of the corporation or other entity). We also recognize that these donors support the non-profit sector not only out of a desire to be helpful, but often also with a view to accruing some benefit or return to the donor. Given these realities, FAIR Canada is willing to provide public recognition of donations in ways that benefit donors while still enabling FAIR Canada to achieve its mission and objects without compromising its independence, integrity and objectivity.

In general, therefore, the following principles will apply to donations:

- The donation must be made for the purpose of helping FAIR Canada fulfill its mission, including its charitable objects and activities.
- The donation must be made at arm's length and entirely without conditions on FAIR Canada's activities, operations or policy positions.

- The donation will not establish a partnership or joint venture of any kind between the donor and FAIR Canada, nor will the donation result in any portion of FAIR Canada's work being branded as a project sponsored by the donor.
- Except where the donor requests anonymity, FAIR Canada will publicly acknowledge the donation, including the amount, and will emphasize that the donor expressly made the donation at arm's length and without conditions.
- FAIR Canada will portray the donation as demonstrating the donor's support for FAIR Canada. However, we will not portray the donation as an endorsement by the donor of any position advocated by FAIR Canada; and the donor must agree not to portray acceptance of the donation as an endorsement by FAIR Canada of the donor's products, services or business activities or any position advocated by the donor.
- Donors will not be permitted to use FAIR Canada's name or logo or other property for commercial purposes or in connection with the promotion of any product or service.
- FAIR Canada may decline to accept any donation at any time for any reason. In particular, we will decline donations that are likely to have any of the following effects or reasonably can be expected to be perceived as having any of the following effects:
  - Compromising FAIR Canada's independence, integrity or objectivity.
  - Conflicting with FAIR Canada's mission, charitable objects or strategic priorities.
  - Restricting FAIR Canada's autonomy, discretion or liberty of action.
  - Diminishing the value of FAIR Canada's work to its stakeholders or to the investing public.
  - Causing harm to the reputation of FAIR Canada, its directors or its employees.
  - Placing FAIR Canada in breach of any law or regulation applicable to it, or any policy of the Canada Revenue Agency or the Office of the Public Guardian and Trustee.
  - Burdening FAIR Canada with costs or excessive administrative obligations.
  - Exposing FAIR Canada, its directors or its employees to uncertain risks or potential liabilities.

### **Policy Administration**

This policy will be administered by FAIR Canada's Executive Director, provided however that on a case-by-case basis the Executive Director may refer offers of donations to FAIR Canada's Board of Directors for consideration and their decision on whether to accept or decline the donation.

Where an offer to donate does not accord with one or more of the guiding principles set out above, the Executive Director will refer the offer to the Board of Directors for consideration and their decision on whether to accept or decline the donation.

**Utilization Options**

Donors will have the option of designating that their donations must or may be utilized as follows:

- (a) As funds for the general operating purposes of FAIR Canada in accordance with its charitable objects on the advice and recommendation of its Executive Director, as approved by FAIR Canada's Board of Directors; or
- (b) As additional capital for purposes of the FAIR Canada Jarislowsky Endowment Fund, in accordance with the terms of that Fund approved by FAIR Canada's Board of Directors; or
- (c) As a combination of (a) and (b), in amounts specified by the donor.

If the donor makes no designation, FAIR Canada's Board of Directors will determine how the donation will be utilized.

**Non-Cash Donations**

FAIR Canada will accept donations of publicly traded securities transferred to our investment account. Generally, we will sell the securities immediately upon receiving the transfer.

Offers to donate other types of personal property, real estate, insurance benefits, annuities, property rights or other valuable interests will be referred by the Executive Director to FAIR Canada's Board of Directors for consideration and their decision on whether to accept or decline the donation. Where such items are accepted, our general practice will be to sell them as quickly as possible unless they are of immediate or future use to FAIR Canada.

**Tax Receipts for Donations**

CanadaHelps issues charitable tax receipts for donations made to FAIR Canada by donors online through CanadaHelps.org. In all other cases FAIR Canada will directly issue charitable tax receipts to donors in accordance with Canada Revenue Agency policies and requirements.

**Accountability and Donor Anonymity**

FAIR Canada is committed to transparency. We want our donors, stakeholders and the general public to have a clear picture of how we conduct our activities. Accordingly, our preference is to publicly disclose the identities of all donors, the amounts they donate, and the essential terms of each donation.

We recognize, however, that some donors have legitimate reasons for wishing to give anonymously. To the extent permitted by law, FAIR Canada will not divulge the identity of any

donor who specifically requests anonymity; however, a request for anonymity may be a factor that FAIR Canada's Executive Director or Board of Directors will consider in determining whether to accept or decline a donation.

FAIR Canada must reserve the right to disclose full information about every donation, including the donor's identity and any relationship to FAIR Canada, in accordance with internal or external audits.

**Independent Advice**

FAIR Canada makes no representation regarding the legal, financial or tax benefits and consequences of making a donation to FAIR Canada. We encourage prospective donors to seek the assistance of qualified professional advisors for this purpose.