

# BOARD OF DIRECTORS CONFLICT OF INTEREST POLICY

## APPLICABILITY

This policy shall apply to members of the XXX Board of Directors (Board). Each member of the Board acknowledges that real or perceived conflicts of interest can adversely affect XXX, its reputation and mission, and impair the ability to make decisions that are in the best interests of XXX. The Board adopts this conflict of interest policy as a guide for standards of conduct as it relates to potential conflicts of interest.

## DEFINITIONS

1. "Family" means any person's spouse, partner, child, parent, brother, sister, grandchild, stepparent, stepchild, stepbrother, stepsister, father-in-law, mother-in-law, brother-in-law or sister-in-law.
2. "Staff" means any employee of XXX as well as independent contractors and consultants.
3. A person shall be considered to have a financial interest in a matter if it could result in a financial benefit or detriment of more than \$1,000 to him or his family. A person shall be considered to have a financial interest in a business if they or a family member owns a 5% or more interest or in which he or she is an officer or policymaking employee.
4. A person is considered to have a personal interest if his or her judgment is substantially influenced in fact or by appearance by concerns other than those of XXX; also a personal interest exists if they sit on the Board and serve in a senior management or senior leadership role of any organization under contract with XXX.

## STANDARDS

Members of the XXX Board shall:

Exercise their professional judgment solely for the benefit of XXX and their stakeholders free from any adverse or conflicting financial interests.

Refrain from using, or authorizing the use of the authority of their positions on the XXX Board, to secure anything of monetary value, or the promise or offer of anything of monetary value, that manifests a substantial and improper influence on them with respect to their duties.

Abstain from voting on any matter in which they have a personal or financial interest.

Promptly inform the Board of any personal or financial interest of which they are aware which may influence their decisions regarding XXX. Such disclosure shall occur at least annually and at any other time that the Board considers any matter in which the affected Board member has a personal or financial interest.

Not serve concurrently as a member of the XXX Board and an organization or entity under paid contract with, or paid as a consultant for, CXXXwithout providing full disclosure to the XXX Board.

#### EXCEPTIONS

Upon disclosure of any violation of these standards, the remaining members of the Board, by majority vote of disinterested members, may ratify any action taken without knowledge by the violation.

Staff and Board members may accept reimbursement for their reasonable and actual expenses for travel and other activities in support of XXX.

Each Board member must read and acknowledge a copy of this Conflict of Interest policy.

#### PENALTY FOR VIOLATIONS

When there is an allegation by anyone of a willful or knowing violation of this policy by any member of the Board, the alleged violator will immediately provide all remaining members of the Board with the facts and circumstances. Failure to provide such information can lead to dismissal from the Board before the end of the Board Members' term by a majority vote of disinterested Board members.

When the facts are known, if a majority of Board members determines there was a willful or knowing violation of the policy, then the Board will immediately vote on whether to dismiss the violator from the Board before the end of their term. The decision of the Board will be made by majority vote.