

## GLEN FOERD CONSERVATION CORPORATION

### **POLICY ON CONFLICTS OF INTEREST AND DISCLOSURE OF CERTAIN INTERESTS**

This Conflict of Interest Policy is designed to help directors, members of Committees (as defined below), and officers of Glen Foerd Conservation Corporation (the “*Organization*”) protect the Organization’s interest by identifying situations that present potential conflicts of interest and provide the Organization with a procedure which, if observed, will allow a transaction to be treated as valid and binding even though a director, member of a Committee or officer has or may have a Conflict of Interest with respect to the transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to non-profit and charitable organizations.

#### I. DEFINITIONS

- A. “Board” means the Board of Directors of the Organization.
- B. “Compensation” means direct and indirect remuneration, as well as gifts, gratuities, entertainment, or other favors, that are not insubstantial.
- C. “Committee” means a committee with Board-delegated powers.
- D. “Conflict of Interest” means a situation where the Financial Interest or Non-financial Interests of an Interested Person may be seen as competing with the interests or concerns of the Organization.
- E. “Family Member” means a spouse, domestic partner, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister of an Interested Person.
- F. “Financial Interest” means a financial interest that a person has, directly or indirectly, through business, investment or Family Member involving:
1. an ownership or investment interest in any entity with which the Organization has a transaction or arrangement, or
  2. a compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
  3. a potential ownership or investment interest, or compensation arrangement with any entity or individual with which the Organization is negotiating a transaction or arrangement.
- G. “Interested Person” means any director, member of a Committee, or officer of the Organization, and his or her Family Members.
- H. “Non-financial Interest” means a non-financial interest that a person has, directly or indirectly, involving a non-financial benefit or advantage that he or she would not have obtained absent his or her relationship with the Organization. For example,
1. an Interested Person seeks to obtain preferential treatment by the Organization or recognition for himself/herself or another Interested Person, or

2. an Interested Person seeks to make use of confidential information obtained from the Organization for his/her own benefit or for the benefit of another Interested Person, or

3. an Interested Person seeks to take advantage of an opportunity or enables another Interested Person or other organization to take advantage of an opportunity that he/she has reason to believe would be of interest to the Organization, or

4. the Organization adopts a policy that provides significant non-financial benefit to an Interested Person.

## II. PROCEDURES

### A. Initial and Annual Disclosures.

1. Each director, member of a Committee, or officer of the Organization shall upon association with the Organization, annually thereafter and from time to time as may be directed by the Board:

a. complete the attached Conflict of Interest Disclosure Form on behalf of such person and his/her Family Members; and

b. sign an Affirmation of Compliance, in the form attached hereto, which affirms the following:

(1) He or she has received and reviewed a copy of the Conflict of Interest Policy;

(2) He or she understands and agrees to comply with the Conflict of Interest Policy; and

(3) He or she understands the Organization is a non-profit organization and in order to maintain its federal tax exemption must engage primarily in activities which accomplish one or more of its tax-exempt purposes without personal inurement.

B. Duty to Disclose. In connection with a proposed transaction or arrangement that involves any potential Conflict of Interest, an Interested Person must disclose the existence of any Financial Interest and Non-financial Interest and must be given the opportunity to disclose all material facts to the Board, or, if applicable, the Committee considering the proposed transaction or arrangement. An Interested Person is under a continuing obligation to disclose any actual or potential Conflict of Interest.

C. Determining Whether a Conflict of Interest Exists. In determining whether a Conflict of Interest exists, after disclosure of any applicable Financial Interest and Non-financial Interest and all material facts by all Interested Persons, and after any discussion with the Board and such Interested Persons, the Interested Persons shall leave the Board or Committee meeting while the determination of whether a Conflict of Interest exists is discussed and voted upon. The remaining Board or Committee members shall decide if a Conflict of Interest exists.

### D. Procedures for Addressing the Conflict of Interest.

1. An Interested Person may make a presentation at the applicable Board or Committee meeting concerning whether a Conflict of Interest exists and the underlying transaction or

arrangement, but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on, the proposed transaction or arrangement involving the possible Conflict of Interest.

2. The chairperson of the Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

3. After exercising due diligence, the Board or Committee, as applicable, shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict of Interest.

4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a Conflict of Interest, the Board or Committee, as applicable, may determine by a majority vote of the disinterested members of the Board or Committee whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination the Board or Committee shall make its decision as to whether to enter into the transaction or arrangement.

E. Violations of the Conflicts of Interest Policy. If the Board or Committee has reason to believe that an Interested Person has failed to disclose a potential Conflict of Interest, it shall inform the person of the basis for such belief and allow the person an opportunity to explain the alleged failure to disclose.

If the Board or Committee decides that the Interested Person has in fact failed to disclose a potential Conflict of Interest, the Board shall take such disciplinary and corrective action as the Board shall determine.

F. Record of Proceedings. The minutes of the Board and all Committees for any meeting during which an actual or potential Conflict of Interest is being reviewed shall contain:

1. The names of the persons who disclosed or otherwise were found to have a Financial Interest or Non-financial Interest in connection with a proposed transaction or arrangement, the nature of the Financial Interest or Non-financial Interest, any action taken to determine whether a Conflict of Interest was present, and the Board's or Committee's decision as to whether a Conflict of Interest in fact existed.

2. The names of the persons who were present for discussions and votes relating to the proposed transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

G. Annual Review. To ensure the Organization operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, annual reviews shall be conducted. The annual review shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

2. Whether partnerships, joint ventures, and arrangements with Interested Persons conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

### III. OTHER

A. Confidentiality. Each Interested Person shall exercise care not to disclose confidential information acquired in connection with his or her position or affiliation with the Organization, the disclosure of which might be adverse to the interests of the Organization. Further, an Interested Person shall not disclose or use information relating to the Organization's business for the personal profit or advantage of the Interested Person or a Family Member.

B. Compensation; Prohibited Participation.

1. A voting member of the Board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

3. No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

**GLEN FOERD CONSERVATION CORPORATION**

**CONFLICT OF INTEREST DISCLOSURE FORM**  
**(TO BE COMPLETED ANNUALLY)**

Please complete this form indicating any potential conflicts of interest. If you answer “yes” to any of the questions, please provide a written description of the details of the specific action, policy or transaction.

Financial Interests

1. Has the Organization proposed to contract or contracted to purchase or lease goods, services, or property from you or from any of your family members or associates?  Yes  No
2. Has the Organization offered employment to you or to any of your family members or associates?  Yes  No
3. Have you or any of your family members or associates, been provided with a gift, gratuity or favor of a substantial nature from a person or entity that does business with the Organization?  Yes  No
4. Have you or any of your family members or associates been gratuitously provided use of the facilities, property or services of the Organization?  Yes  No
5. Have you, a family member or an associate been in a position to benefit financially from an action, policy or transaction made by the Organization?  Yes  No

Other Interests

1. Did you obtain preferential treatment, promotion, recognition or a non-salaried appointment as a consequence of your association with the Organization for yourself or for any of your family members or associates?  Yes  No
2. Did you make use of confidential information obtained from the Organization for your own benefit or for the benefit of a family member, associate or other organization?  Yes  No
3. Did you take advantage of an opportunity or enable a family member, associate or other organization to take advantage of an opportunity that you had reason to believe would be of interest to the Organization?  Yes  No
4. Have you, a family member or an associate been in a position to benefit in a non-financial way from an action, policy or transaction made by the Organization?  Yes  No

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**GLEN FOERD CONSERVATION CORPORATION**

**CONFLICT OF INTEREST – AFFIRMATION OF COMPLIANCE**  
**(TO BE COMPLETED ANNUALLY)**

I, \_\_\_\_\_, a duly elected or appointed [director, committee member or officer] of Glen Foerd Conservation Corporation (the “Organization”), do hereby certify as follows:

1. I have received and reviewed the Conflict of Interest Policy of the Organization, and have considered not only the literal expression of the Conflict of Interest Policy, but also its intent.
2. By signing this Affirmation of Compliance, I hereby affirm that I understand and agree to comply with the Conflict of Interest Policy.
3. I further understand that the Organization is a non-profit organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes without personal inurement.
4. Except as otherwise indicated in the Disclosure Form, neither I, nor any family member or associate, have any Conflict of Interest.

IN WITNESS WHEREOF, I have executed this Affirmation of Compliance this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature