

DIRECTOR'S CONFLICT OF INTEREST

I. OBJECTIVE

To define conflicts of interest and to establish rules governing a director's conduct when conflicts of interest exist or are claimed to exist.

II. POLICY

- A. A conflict of interest exists when a director or a member of their immediate family has a personal financial interest in an entity to whom a contract or other thing of value may be awarded or given on the basis of a decision by the board or **when the matter or proceeding involves any person who is, or has been, an employer, employee, client, patient or other business associate of the director within one (1) year immediately preceding the date of the matter or proceeding** before the board for consideration or action and **the matter or proceeding is related to the director's representation of that employer, employee, client, patient or other business associate of the director**. A conflict of interest also exists when the issue to be decided by the board may have a direct non-monetary impact, adverse or beneficial, on a director or a member of their immediate family, of a nature and extent significantly different from the impact on other persons.
- B. A director having a conflict of interest will disclose to the other directors the nature of the conflict. The director will not engage in discussions or debate about the issue as to which a conflict of interest exists, nor will the director vote on any issue as to which a conflict exists.
- C. If a director asserts that another director has a conflict of interest, the asserting director may request that the director in question refrain from participating in discussions, debate or vote on the issue as to which a conflict is claimed to exist. If the director in question denies that a conflict of interest exists, the decision of whether or not that director may participate in discussions, debate or vote on the particular issue, will be decided by a majority vote of all the other directors.
- D. If a director is deemed to have a conflict, the director will leave the room while the issue is being discussed or voted on unless permitted to remain by unanimous consent of the board but may not participate in the discussion or vote on the issue.
- E. For the purpose of this policy, a director's "immediate family" means a person who by blood or in-law, including half, foster, step or adoptive kin is either a spouse, child, grandchild, parent, grandparent, brother or sister of the person in question or who on a fixed, long-term or non-temporary basis, shares living quarters with the director.

- F. Annually, each director will sign a Conflict of Interest Disclosure Statement which will be reviewed by all directors at the annual CEO/Attorney/Board Review and maintained by the Executive Office. Any director may seek guidance regarding a potential conflict from the President & CEO or general counsel.

III. RESPONSIBILITY

Each director and the President & CEO, with guidance from general counsel as appropriate, are responsible for compliance with this policy.

ADOPTED: December 19, 1988
AMENDED: April 26, 2022