



| The Haven Governing Documents, Policies and Procedures | |
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| Policy # | |
| Policy Title | Conflict of Interest Policy |
| Issue Date | |
| Revision Date/s | |

THE HAVEN

Conflicts of Interest Policy

Article I Purpose

The purpose of the conflict of interest policy is to protect the interests of The Haven (the “Organization”) when it is contemplating entering Organization into a transaction or the arrangement with a party related to the Organization (a “Conflict of Interest”).

Article II Definitions

1. Interested Person

An interested person is any director, principal officer, or member of a committee with governing board delegated powers, who:

- a. Has a direct or indirect financial interest, as defined below, or
- b. Whether or not the transaction is brought before the board of directors of the Organization for action, knows at the time of commitment that the interested person or a related person either:
 - (i) Is a party to the transaction, or
 - (ii) Has a financial interest in or is so closely linked to the transaction and of such financial significance to the interested person or a related person that the interest would reasonably be expected to exert an influence on the interested person’s judgment if the interested person were called on to vote on the transaction, or
- c. When the transaction is brought or is of such character and significance to the Organization that it would in the normal course be brought before the board of directors of the Organization for action, knows at the time of commitment that any of the following persons is either a party to the transaction or has a financial interest in or is so closely linked to the transaction and of such financial significance to the person that the interest would reasonably be expected to exert an influence on the interested person’s judgment if the interested person were called on to vote on the transaction:
 - (i) An entity, other than the corporation, of which the interested person is a director, general partner, agent or employee, or
 - (ii) A person that controls one or more of the entities specified in item (i) of this subdivision or an entity that is controlled by or is under common

control with one or more of the entities specified in item (i) of this subdivision.

- (iii) An individual who is a general partner, principal or employer of the interested person.

2. Financial Interest

A. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or related person:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

3. Related Person.

A related person of an interested person means either: (i) the spouse, or a parent or sibling of the spouse, of the interested person, a child, grandchild, sibling, parent or spouse of a child, grandchild, sibling or parent, of the interested person, an individual having the same home as the interested person or a trust or estate of which an individual specified in this Article II, Section 1, is a substantial beneficiary; or (ii) a trust, estate, incompetent, conservatee or minor of which the interested person is a fiduciary.

4. Qualified Person.

A qualified person means any director, officer, or member of a committee with governing board delegated powers, who is not an interested person with respect to a transaction or arrangement under consideration.

Article III **Procedures**

1. Duty to Disclose

In connection with any actual or possible conflict of interest due to a financial interest, an interested person must disclose the existence of the conflict of interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of a financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The qualified persons shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting. If the interested person has a duty of confidentiality with respect to information relating to the transaction or arrangement preventing him/her from disclosing all material facts known to him/her regarding the transaction or arrangement, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a qualified person or committee containing qualified persons to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee 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.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote, but at least two, of the qualified persons 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 it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violation of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV
Records of Proceedings

The minutes of the governing board and all committees with board-delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the 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.

Article V
Compensation

1. A voting member of the governing 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 governing 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.

Article VI
Annual Statements

Each director, principal officer and member of a committee with governing board-delegated powers shall annually sign a statement that affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Article VII
Periodic Reviews

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

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations 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.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

CERTIFICATE OF ADOPTION

The foregoing Conflict of Interest Policy was adopted by the Board of Directors of The Haven, on _____, 2023.

THE HAVEN

By: _____

Its: _____

THE HAVEN
Conflicts of Interest Policy Acknowledgement

By signing below, I, the undersigned, hereby acknowledge that I have:

- a. Received a copy of the Conflicts of Interest Policy for The Haven (the “Organization”),
- b. Read and understand that policy,
- c. Agree to comply with the policy, including making required disclosures of possible conflicts of interest, and
- d. Understand that the Organization is an entity exempt from tax as one described in Section 501(c)(3) of the Internal Revenue Code, and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

I have the following conflicts, or potential conflicts, to disclose, including service on other organizations’ boards of directors and the ownership of an interest in organizations that may perform services or sell goods to the Organization:

By: _____

Date: _____

Title/Position: _____