



CONFLICT OF INTEREST POLICY

It is the policy of FPRAZ that each Board member disclose all actual and potential conflicts of interest.

Disclosure will be made by submitting to the FPRAZ Executive Director a Board-approved statement listing all business or other organizations of which the director or his/her spouse or minor child(ren) is an officer, member, stockholder of more than 10%, director, trustee, owner, partner or employee, or for which he/she acts as an agent. Each Board member shall submit an updated statement by **January 15th** each calendar year. A Board member will be deemed to have an interest in any transaction involving a business or organization which is, or should be, included in his/her statement. The Chair or Executive Committee will become familiar with the statements of all Board Members. No Board Member shall be disqualified from service on the Board by reason of any interest disclosed on their annual statement, so long as the Board Member may continue to adequately meet his or her duties as defined by law and by FPRAZ's Fiduciary Responsibility Policy.

If any matter comes before the Board concerning a business relationship between FPRAZ and any party which a Board member has, or should have, disclosed on his or her statement, or that otherwise may give rise to a conflict of interest between the Board member and FPRAZ, the affected Board member shall disclose the potential conflict. The Board Member will answer any questions the other Board Members may have about the conflict and will then withdraw from the meeting and will not participate in any vote on the matter. The Board Member will not be counted in determining the existence of a quorum as to any vote on the matter. No Board Member may participate in discussions on a matter in which they have a conflict of interest, nor lobby other Board Members regarding such a matter.

If the interested Board Member fails to withdraw voluntarily, the Chair or presiding Board Member is empowered to require, and will require, that the Board Member leave the room during both the discussion and the vote on the matter. If the potential conflict of interest affects the Chair or presiding Board Member, each other Board Member who is present is individually empowered to require, and will require, that the Chair or presiding Board Member leave the room in the same manner for the duration of discussion and action on the matter. The remaining Board Members present will then elect a Director to preside. The minutes of any board meeting at which a vote is taken on a matter for which a board member discloses a potential conflict shall record such disclosure, abstention, and rationale for approval.

No transaction of the organization shall be voidable by reason of the fact that any Board Member has a conflict of interest as described above, provided that the organization adheres to the policies described above, the transaction is duly approved as being in FPRAZ's best interest, and any payment to the non-voting interested Board Member relating to the transaction is reasonable and does not exceed fair market value.

Adopted by Board Resolution on March 21, 2019.



Furthermore, in the event FPRAZ hires the parent, child, spouse, domestic partner, step-parent, step-child, sibling, in-law, or first cousin (“relative”) of a Board Member to a position requiring Board approval, then the Board Member in question should excuse himself or herself from voting on the personnel issue. In the event FPRAZ hires a relative of a Board Member, then that Board Member shall not be involved in any aspect of the relative’s employment (i.e., salary discussions, promotions or job assignments, disciplinary actions or termination). As long as the Board Member excuses himself or herself from any direct involvement in the employment decisions relations to his or her relative, then any potential conflict of interest will be adequately minimized. Nothing in this section shall prevent the remaining Board Members from voting on any issue, contract, or recommendation relating to the relative of a Board Member.

Each Board Member shall sign a statement acknowledging that he or she has received this policy, understands it, and will abide by it.