

## **Minneapolis Hockey Association**

### **CONFLICT OF INTEREST POLICY**

#### **SECTION 1. PURPOSE:**

Minneapolis Hockey Association (MHA) is a nonprofit, tax-exempt organization. Maintaining this tax-exempt status is important because it promotes MHA's continued financial stability and public support. As a nonprofit, tax-exempt organization, MHA's operations are often viewed as a public trust accountable to governmental authorities and the public it serves. In order to promote and ensure this trust, MHA requires that its board members, officers, and anyone else acting on behalf of MHA administer the affairs of MHA honestly and prudently, and for the sole benefit of MHA. Such persons must exercise good faith in all transactions involved in their duties, and they shall not use their positions with MHA or knowledge gained therefrom for their personal benefit.

#### **SECTION 2. PERSONS CONCERNED:**

This statement is directed not only to directors and officers, but to anyone authorized to act on behalf of MHA and who can influence the actions of MHA including, without limitation, employees, coaches, team managers, etc ("MHA Agents"). For example, this would include all who make purchasing decisions, all persons who might be described as "management personnel," and anyone who has proprietary information concerning MHA.

#### **SECTION 3. AREAS IN WHICH CONFLICT MAY ARISE:**

Conflicts of interest may arise when directors, officers, and MHA Agents does MHA related business with any of the following third parties:

1. Persons and firms supplying goods and services to MHA.
2. Persons and firms from whom MHA leases property and equipment.
3. Persons and firms with whom MHA is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Agencies, organizations, and associations which may affect the operations of MHA.
6. Family members, MHA directors, officers or MHA Agents

#### **SECTION 4. NATURE OF CONFLICTING INTEREST:**

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any such party.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any such person.
3. Receiving remuneration for services with respect to individual transactions involving MHA.
4. Using MHA's time, personnel, equipment, supplies, or good will for other than MHA-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with MHA. Receipt of any gift is disapproved except gifts of a value less than \$50, which could not be refused without discourtesy. No personal gift of money should ever be accepted.

#### **SECTION 5. INTERPRETATION OF THIS STATEMENT OF POLICY:**

The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 4, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the directors, officers, and MHA Agents will recognize such areas and relations by analogy.

The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of MHA.

However, the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of all concerned persons to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

#### **SECTION 6. DISCLOSURE POLICY AND PROCEDURE:**

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed as described below;
2. The person with the conflicting interest is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and

4. The Executive Committee of the Board of Directors of MHA (the “Executive Committee”) has determined that the transaction is in the best interest of the organization.

Disclosure of conflicting interests should be made to the President (or if the President is the one with the conflict, then to the Executive Committee), who shall bring the matter to the attention of the Executive Committee. Disclosure involving members of the Executive Committee shall be considered by the remaining members of the Executive Committee.

The Executive Committee shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to MHA. The decision of the Executive Committee on these matters will rest in their sole discretion, and their concern must be the welfare of MHA and the advancement of its purpose.

In addition to ongoing obligations to disclose conflicts of interest as they arise, MHA directors, officers and the gambling manager shall submit the MHA Conflict of Interest Disclosure Form to the Executive Committee annually during the MHA fiscal year.