

FINDLAY AMATEUR HOCKEY ASSOCIATION CONFLICT OF INTEREST POLICY

PURPOSE

The purpose of the conflicts of interest policy is to protect the Findlay Amateur Hockey Association's (Association's) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an employee or Director of the Association. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

DEFINITIONS

Interested Person

Any Director, employee, or member of a committee with board delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.

Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment or family--

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

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board decides that a conflict of interest exists.

PROCEDURES

1. Duty to Disclose

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and must be given the opportunity to disclose all material facts to the Directors or committees with board delegated powers considering the proposed transaction or arrangement.

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2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts the Board or committee with Board delegated responsibility 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 board or committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the potential conflict of interest.
- b. The president of the board or chairperson of a committee may, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the board or committee shall determine whether the Association can obtain a more advantageous transaction or arrangement with reasonable efforts 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 attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Association's best interest and for its own benefit and whether the transaction is fair and reasonable to the Association and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. Violations of the Conflicts of Interest Policy

- a. If the board or committee has reasonable cause to believe that 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 response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

COMPENSATION

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

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

PERIODIC REVIEWS

To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining.
- b. Whether partnership and joint venture arrangements and arrangements conform to Association policies, are properly recorded, reflect reasonable payments for goods and services, further the Association's charitable purposes and do not result in inurement or impermissible private benefit.

Policy approved by the Board of Directors on February 8, 2024.