



CONFLICT-OF-INTEREST POLICY AND PROCEDURES FOR THE PUGET SOUND REGION OF USA VOLLEYBALL BOARD OF DIRECTORS AND KEY EMPLOYEES

Policy Statement

Each member of the board of directors for the Puget Sound Region of USA Volleyball (herein referred to as the PSR) has a duty of loyalty to the PSR. In furtherance of this duty, it is the policy of the PSR that directors may not use their position as directors for personal, family, or professional gain. Directors may not obtain for themselves, their relatives, or their friends a financial or material interest of any kind from their connection with the PSR. Each director has a duty to give undivided allegiance to the PSR when making decisions affecting the PSR and in any transactions, dealings, or situations involving the PSR. In furtherance of these obligations, the PSR has adopted this Conflict-of-Interest Policy and Procedures applicable to its directors.

Categories of Conflicts of Interest

Conflict-of-Interest Transactions

A conflict of interest with respect to a transaction effected or proposed to be effected by the organization means the interest a director has respecting such transaction, if

1. The director knows that he or she or a related person is a party to the transaction or has a beneficial financial or personal interest in or is so closely linked to the transaction and it is of such financial or personal significance to the director or a related person that the interest would reasonably be expected to exert an influence on the director's judgment if he or she were called upon to vote on the transaction; or
2. The director knows that any of the following persons is either a party to the transaction or has a financial or personal interest in or is so closely linked to the transaction and it is of such financial or personal significance to the person that the interest would reasonably be expected to exert an influence on the director's judgment if he or she were called upon to vote on the transaction:
 - a. An entity of which the director is a director, officer, partner, equity owner, agent, or employee;
 - b. A person that controls, is controlled by, or is under common control with, one or more of the entities described in subsection (a); or
 - c. An individual who is a partner, principal, employer, employee, personal friend, business associate, or a significant creditor or debtor of the director.

For purposes of this Policy, a "related person" of a director means 1) the spouse of the director, or a parent or sibling thereof, or a child, grandchild, sibling, or parent of the director, or the spouse of any thereof, or an individual having the same home as the director, or a trust or estate of which an individual specified in this paragraph is a substantial beneficiary, or 2) a trust, estate, incompetent, conservatee, or minor of which the director is a fiduciary.

Examples of situations in which conflicts of interest may arise include, but are not limited to, the following:





- Transactions with persons and organizations supplying goods and commercial services to the PSR
- Transactions with persons and organizations from which the PSR leases property and equipment
- Transactions with persons and organizations with whom the PSR is dealing or planning to deal in connection with the gift, purchase, or sale of real estate, securities, or other property
- Transactions with persons representing competing or collaborating organizations
- Transactions with donors and others supporting the PSR
- Transactions with persons representing agencies, organizations, and associations that affect the operations of the PSR
- Transactions with organizations or individuals receiving grants from the PSR

Conflict-of-Interest Relationships

The PSR recognizes that conflicts of interest may arise not only in the context of a transaction but also in situations where a director's personal interests, or the interests of a related person, personal friend, business associate, an entity in which a member holds an equity interest, employer, employee, or a significant creditor or debtor of the director, could reasonably be expected to exert an influence on the director's judgment regarding general the PSR matters and/or impair his or her ability to act in the PSR's best interests.

It is important to note that a "conflict of interest" exists if a decision could be influenced (i.e., perceived conflict of interest) — it is not necessary that influence actually take place.

Structural Conflicts of Interest

Because of an actual, potential, or perceived "structural" conflict of interest, directors may not sit concurrently on the boards of either JVA or AAU.

Participation as a member of JVA, AAU, or other related organization is not a conflict of interest as it is acknowledged that board members will participate in the broader related arena.

Procedures for Identifying and Addressing Conflicts of Interest

The following procedures shall be followed when a conflict of interest arises with respect to any director:

1. The director must promptly make full disclosure of the conflict of interest to the qualified directors of the board. The director must disclose (a) the existence and nature of the director's conflict of interest and (b) all facts known to him or her regarding the subject matter of the transaction or situation that an ordinarily prudent person would reasonably believe to be material to a judgment about whether or not to proceed with the transaction or how to deal with the situation.
2. For purposes of this policy, a "qualified director" means any director who does not have either (a) a conflict of interest with respect to the transaction or situation, or (b) a familial, financial, professional, or employment relationship with a second director who does have a conflict of interest with respect to the transaction or situation, which relationship would, in the circumstances, reasonably be expected to exert an influence on the first director's judgment when voting on the transaction or situation.





3. The qualified directors will discuss the conflict of interest and, depending on the nature of the conflict of interest, vote on either (a) whether or not to continue the transaction at issue or (b) measures to address the situation at issue. Directors subject to a conflict of interest shall not be permitted to be present or to participate in the deliberations or vote of the qualified directors with respect to such conflict of interest. Recusal of the director shall require such director to physically remove himself or herself from a meeting, conference call, e-mail, listserv, or any other electronic communications.
4. The conflict of interest transaction or situation shall be approved only upon the affirmative vote of a majority of those qualified directors on the board or on a duly empowered committee of the board (who voted on the transaction after required disclosure to them); provided, that action by a committee is effective only if (a) all committee members are qualified directors, and (b) committee members are either all the qualified directors on the board or are appointed by the affirmative vote of a majority of the qualified directors on the board. A majority of all the qualified directors on the board, or on the committee, constitutes a quorum for purposes of the vote described above.
5. When a conflict exists, resolution of the matter may include (a) approving or disapproving any transaction or situation at issue; (b) requiring the director to remove himself or herself from positions in which the conflict of interest exists until there is no longer a conflict; or (c) requiring the director to discontinue, reduce, or modify his or her participation in the board, committees, or task forces where the conflict exists.
6. In addition to the procedures described above, directors have an obligation to address any perceived conflict of interest of other directors if they are aware of such conflicts with respect to matters pertaining to the PSR.

Acknowledgment and Annual Disclosure

Directors will receive this Conflict-of-Interest Policy and Procedures and shall be required to sign and date the policy disclosure form at the beginning of their term of service. Directors also shall be required to sign and update the policy disclosure form at the beginning of each calendar year. Failure to update or sign the policy disclosure form, however, does not nullify a director's obligations under this policy

