

EDMONSON COUNTY
CHAMBER OF COMMERCE
Conflict of Interest Policy

Purpose

The purpose of this Conflict of Interest Policy is to protect the interests of Edmonson County Chamber of Commerce when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a President, Officer, or employee of the Edmonson County Chamber of Commerce or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to non-profit and charitable organizations.

Article I

Definitions

1. INTERESTED PERSON: Any President, Officer, or employee of the Edmonson County Chamber of Commerce, who has a direct or indirect interest, as defined below, is an Interested Person.

2. INTEREST: A person has the interest if the person, directly or indirectly, through business, investment, or family: a) has an ownership or investment interest in any entity with which the Edmonson County Chamber of Commerce has a transaction or arrangement; b) has a compensation arrangement with the Edmonson County Chamber of Commerce or with any entity or individual with which the Edmonson County Chamber of Commerce has a transaction or arrangement; c) has a potential ownership or investment interest in, or compensation arrangement with any entity or individual with the organization is negotiating a transaction or arrangement; d) is a President, Officer, or employee of an organization with which the Edmonson County Chamber of Commerce has entered into or is contemplating entering into a transaction or arrangement.

"Compensation" includes direct and indirect remuneration as well as significant gifts, favors, or contributions.

An interest is not necessarily a conflict of interest. Under Article II, a person who has an interest may have a conflict of interest only if the person so concludes or if the Edmonson County Chamber of

Commerce Board decides that a conflict of interest exists. A transaction is not prohibited simply because a conflict of interest exists.

"Family" includes spouse, parents, siblings, children, in-laws, and step relations.

Article II

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 interest and must be given the opportunity to disclose all material facts to the Board of Directors.**

2. DETERMINING WHETHER A CONFLICT OF INTEREST EXISTS: A person may determine that he or she has a conflict of interest. Otherwise, after disclosure of the interest and all the material facts, and after the discussion with the interested person, the interested person will leave the meeting while the determination of the conflict of interest is discussed and voted upon by the Board of Directors.

3. PROCEDURES FOR ADDRESSING THE CONFLICT OF INTEREST

A. An interested Person may make a presentation to the Board of Directors, but after such presentation, he or she will leave the meeting during the discussion of, and vote on, the transaction or arrangement under consideration.

B. The Board of Directors may, if appropriate, appoint a disinterested person to investigate alternatives to the proposed transaction or arrangement.

C. After any due diligence deemed appropriate by the Board of Directors, the Board will determine whether the Edmonson County Chamber of Commerce 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 Board of Directors will determine by a majority vote of disinterested persons whether the transaction or arrangement is in the Edmonson County Chamber of Commerce best interest, for its own benefit, and fair and reasonable to the Edmonson County Chamber of Commerce. The Board of Directors will make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. VIOLATIONS OF THE CONFLICT OF INTEREST POLICY

A. If the Board of Directors has reasonable cause to believe that a person has failed to disclose an actual or possible conflict of interest, it will inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

B. If, after hearing the response of the person and making such further investigation as maybe warranted under the circumstances, the Board of Directors determines that the person has in fact failed to disclose an actual or possible conflict of interest, it will take any and all action including, if

appropriate, disciplinary action or corrective action, which may include, but is not limited to, dismissal from the Board or employment.

ARTICLE III

RECORDS OF PROCEEDINGS

1. The minutes of the Board of Directors will contain the names of persons who disclose or otherwise were found to have an interest with connection with an actual or possible conflict of interest, the nature of the interest, and any action taken to determine whether the conflict of interest was present, and the Board of Director's decision as to whether a conflict of interest in fact existed. 2. Names of persons who were present for discussion and votes relating to the transaction or arrangement, a summary of the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken.

ARTICLE IV

WRITTEN STATEMENTS

Each Board of Director President, Officer, or employee subject to this conflict of interest policy will sign a statement once each year with respect to any amendments to this policy that affirms that such person:

- A. Has received a copy of this policy
- B. Has read and understands the policy
- C. Has agreed to comply with the policy
- D. Has disclosed all known actual and possible conflicts of interest such person

ARTICLE V

ANNUAL REVIEWS

1. Annual reviews of the conflict of interest policy will be conducted with respects to contracts, arrangements, agreements for services, loans, and similar arrangements with respect to the Edmonson Count Chamber of Commerce, its Board of Directors, President, Officers, and employees, to monitor compliance with this policy.

ARTICLE VI

DUTY TO REPORT

1. Any interested person shall have a duty to report any conflict of interest or potential conflict of interest which such interested person shall perceive unless such conflict of interest shall have otherwise been disclosed as provided in this conflict of interest policy. Such report may be made to any Board of Directors Officer, and such Board member shall have a duty to bring the matter to the full attention of the Board of Directors consideration consistent with Article II, Paragraph 3 of this Conflict of Interest Policy.

Adopted September 12, 2023.