



Gold Star Wives of America, Inc

Prime Management, Attn: National Secretary

PO Box 361986

Birmingham, AL 35236-1986

Conflict of Interest Policy Gold Star Wives of America, Inc.

New York Not-For-Profit Corporation Law Directors and Officers N-PCL 715-a

(c) The conflict of interest policy shall require that prior to the initial election of any director, and annually thereafter, such director shall complete, sign and submit to the secretary of the corporation a written statement identifying, to the best of the director's knowledge, any entity of which such director is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which the corporation has a relationship, and any transaction in which the corporation is a participant and in which the director might have a conflicting interest. The policy shall require that each director annually resubmit such written statement. The secretary of the corporation shall provide a copy of all completed statements to the chair of the audit committee or, if there is no audit committee, to the chair of the board.

It is in the best interest of Gold Star Wives of America, Inc. (GSW) to be aware of and properly manage all conflicts of interest and appearances of conflicts of interest. This Conflict of Interest Policy is designed to help directors, officers, and contractors of GSW identify situations that present potential conflicts of interest and to provide GSW with a procedure to appropriately manage conflicts of interest in accordance with legal requirements and the goals of accountability and transparency in the operations of GSW.

1. Conflict of Interest Defined: In this policy, a person with a conflict of interest is referred to as an "Interested Person." A conflict of interest arises whenever the interests of GSW comes into conflict with a financial or personal interest of an Interested Person or otherwise whenever an Interested Person's personal or financial interest could be reasonably viewed as affecting his or her objectivity or independence in fulfilling his or her duties to GSW. For purposes of this policy and without limiting the generality of the foregoing, the following circumstances shall be deemed to create a "Conflict of Interest":

- a. An Interested Person (or Family Member) is a party to a contract or involved in a transaction with GSW for goods or services, or otherwise has a compensation arrangement or other interest in a transaction with GSW.
- b. An Interested Person (or Family Member) has a material financial interest in a transaction between Gold Star Wives of America and an entity in which such Interested Person is a director, officer, agent, partner, associate, employee, trustee, personal representative, receiver, guardian, custodian, or other legal representative.
- c. An Interested Person (or Family Member) is engaged at some capacity or has a material financial interest in a business or enterprise that competes with GSW.

Other situations may create the *appearance of a conflict*, or present a *duality of interests*, in connection with a person who has influence over the activities or finances of GSW. All such circumstances should be disclosed to the board as appropriate and a decision made as to what course of action GSW or the Interested Person should take so that the best interests of GSW are not compromised by the personal or financial interests of any Interested Person.

Gifts, Gratuities, and Entertainment: Accepting gifts, entertainment or other favors from individuals or entities can also result in a conflict of interest when the party providing the gift, entertainment, or favor does so under circumstances where it might be inferred that such action was intended to influence or possibly could influence the Interested Person in the performance of his or her duties to GSW. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of GSW.

Definitions:

- a. A "Conflict of Interest" is any circumstance described in Part 1 of this Policy.
- b. An "Interested Person" is any person serving as a member of the Board of Directors of GSW, an officer of GSW, a major donor to GSW, a contractor of GSW, or anyone else who is in a position of control or influence over GSW, or who has a financial or personal interest that is or may be in conflict with the interests of GSW.
- c. A "Family Member" is a spouse, parent, child, or spouse of a child, brother, sister, or spouse of a brother or sister, of an Interested Person.
- d. A "Material Financial Interest" in an entity is a financial interest of any kind, which, in view of all the circumstances is substantial enough that it would, or reasonably could, affect an Interested Person or Family Member's judgment with respect to transactions to which the entity is a party.
- e. A "Contract or Transaction" is any agreement or relationship involving the sale or purchase of goods or services, the providing or receipt of a loan or grant, the establishment of any other type of financial or business relationship, or the exercise of control over another organization. *The making of a gift to GSW is not a Contract or Transaction.*

3. Procedures.

- a. Material facts related to conflict of interest in writing to the Board of Directors or Legal Compliance Committee. Disclosures shall be made in advance prior to any action on the matter by the Board or Committee. Such disclosures shall be reflected in the minutes of the meeting. If board members are aware that others have or may have a conflict of interest, relevant facts should be disclosed by the board member or by the Interested Person him/herself if invited to the board meeting as a guest for purposes of disclosure.
- b. A director or (Legal Compliance) committee member who plans not to attend a meeting at which he or she has reason to believe that the board or committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The (Legal Compliance) chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.

c. A person who has a conflict of interest shall not be present at, participate in, be permitted to hear the board's or (Legal Compliance) committee's discussion of the matter or to vote on the matter giving rise to the conflict of interest. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting, or to in any way improperly influence the deliberation or voting on the matter giving rise to the conflict of interest.

d. A person who has a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote.

e. The person having a conflict of interest may not vote on the Contract or Transaction and shall not be present at or participate in the deliberations or vote on the matter given rise to the conflict of interest. The existence and resolution of the conflict of interest and such person's ineligibility to vote, shall be documented in the records of GSW and reflected in the minutes of the meeting at which the conflict of interest was discussed or voted upon.. For purposes of this paragraph, a member of the Board of Directors of GSW has a Conflict of Interest when he or she stands for election as an officer or for re-election as a member of the Board of Directors.

f. Interested Persons who are not members of the Board of Directors of GSW, or who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of Board or (Legal Compliance) committee action, shall disclose to the Chair, or the Chair's designee, any Conflict of Interest that such Interested Person has with respect to a Contract or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Interested Person. The Interested Person shall refrain from any action that may affect GSW's participation in such Contract or Transaction.

1. In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the Chair or the Chair's designee, who shall determine whether full board discussion is warranted or whether there exists a Conflict of Interest that is subject to this policy.

g. Conflict of Interest disclosure statement forms will be available at the time of installation at chapter and region conference. Board directors will sign disclosure statements at the first Board meeting. Contractors will sign a disclosure statement with their contract. Conflict of Interest disclosure statements are due to chapter, region, or national secretary no later than 30-days after election.

h. Section 715-a of the Not-for-Profit Corporation Law obligates GSW directors and officers to uphold their fiduciary duty to the corporation by complying with the GSW Conflict of Interest and Disclosure Statement policy. Non-complying directors, officers, or contractors may be removed from office for cause by not adhering to this NYS mandated COI law.

4. Confidentiality. Each Interested Person shall exercise care not to disclose or use confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of GSW. Furthermore, Interested Persons shall not disclose or use information relating to the business of GSW for their personal profit or advantage or the personal profit or advantage of their Family Member(s).

5. Review of policy.

a. Each director, officer and contractor shall be provided with and asked to review a copy of this Policy and to acknowledge in writing that he or she has done so. Each current director, officer and contractor, as well as nominees for election as director or officer (prior to his or her initial election), must complete, sign and

submit to the Secretary of GSW at least once per year (and updated as appropriate) a written statement identifying, to the best of his or her knowledge, any entity of which such director is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which GSW has a relationship, and any transaction in which GSW is a participant and in which the director, officer or contractor might have a conflicting interest. The secretary of GSW shall provide a copy of all completed statements to the Legal Compliance Chair.

b. Annually, each director, officer and contractor shall complete a disclosure form, substantially in this form attached hereto, identifying any relationships, positions, or circumstances in which he or she is involved that constitutes or may constitute a Conflict of Interest. Such relationships, positions or circumstances might include service as a director of or consultant to another nonprofit organization, or ownership of a business that might provide goods or services to GSW. Any such information regarding the business interests of an Interested Person shall be treated as confidential and shall generally be made available only to the Chair and any (Legal Compliance) committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.

c. This policy shall be reviewed annually by each member of the Board of Directors. Any changes to the policy shall be communicated to all Interested Persons.

This policy was reviewed and revised by the Board of Directors June 6, 2019.