

**NATIONAL CITY CHAMBER OF COMMERCE
OFFICERS AND BOARD OF DIRECTOS' CONFLICT OF INTEREST POLICY**

CONFLICT OF INTEREST POLICY

SECTION 1. PURPOSE OF CONFLICT OF INTEREST POLICY

The purpose of this conflict of interest policy is to protect this National City Chamber of Commerce's (herein after referred to as the "NCCC") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the NCCC. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

SECTION 2. DEFINITIONS

(a) Interested Persons of the National City Chamber of Commerce (NCCC).

For purposes of this policy, any Board member, Director, principal Officer, member of a committee and President/ CEO or any person with governing Board delegated powers, who has a direct or indirect financial interest, as defined below, is hereby deemed to be an "interested" person.

(b) Financial Interest.

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

- (1) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,
- (2) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
- (3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are in excess of \$250.00.

A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph b, a person who has a financial interest may have a conflict of interest only if the appropriate governing Board or committee decides that a conflict of interest exists. However, the Board shall error on the side of finding a conflict if there is an appearance of a conflict that may impact the integrity of the NCCC.

(c) Political Endorsements.

While the NCCC is a 501 (c)6 organization, in order to avoid the appearance of any conflict of interest, no current member of the NCCC, shall use the name of the NCCC, in association with his/her own name or title or position within the NCCC, to endorse (directly or indirectly), contribute to, or allow any candidate in any campaign literature or any other manner, to use both names in association to support any political candidate in National City.

In the event of any political candidate uses the name or likeness of any active member, in combination with the National City Chamber of Commerce, NCCC shall demand the removal and nonuse of his/her name.

In the event of any violation of this provision, the member shall resign or constitute grounds for immediate removal from the Board. This clause is not meant to limit a member's individual capacity to personally endorse any candidate on his/her own behalf without reference to the NCCC. As a matter of professional courtesy, it is incumbent on the Director using their own name to endorse a candidate, to inform the Chairman of the Board and/or President/ CEO in advance of their public endorsement.

SECTION 3. CONFLICT OF INTEREST AVOIDANCE PRODEDURES

(a) Duty to Disclose.

In connection with any actual or potential conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose in writing all material facts to the Directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement.

(b) Determining Whether a Conflict of Interest Exists.

After disclosure of the financial interest and all material facts and after any discussion with the interested person, he/she shall leave the governing Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

(c) Procedures for Addressing the Conflict of Interest.

An interested person may make a presentation at the governing Board or committee meeting but after the presentation, he/she shall leave the meeting during the discussion of and the vote on the transaction or arrangement involving the possible conflict of interest.

The Chairperson of the governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing Board or committee shall determine whether the Corporation can obtain a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing Board or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Corporation's best interest and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

(d) Violations of the Conflicts of Interest Policy.

If the governing Board or committee has reasonable cause to believe 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.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

I have read, understand, and accept responsibility for the Conflict of Interest Policy of the National City Chamber of Commerce.

DIRECTOR NAME (PRINT)

DATE

SIGNATURE