

New Hampshire Orchid Society Conflict of Interest Policy

Revisions

February 08, 2003

Initial Approval: Charles M. Crisler

Purpose

This policy is intended to set forth the definitions, requirements and actions for Conflict of Interest of Directors of the New Hampshire Orchid Society, (known as the society). The New Hampshire RSA's that regulate non-profit organizations are attached as part of this policy.

Policy

Duty to Disclose: Each board member, prior to taking his position on the Board, and all present board members shall submit in writing to the President a list of all businesses or other organizations of which they are an officer, director, trustee, member, owner (either as a sole proprietor or partner), shareholder, employee or agent, with which the Society has, or might reasonably in the future enter into, a relationship or transaction in which the board member would have conflicting interests. The President shall become familiar with the statements of all board members in order to guide their conduct should a conflict arise.

Voting: At such time as any matter comes before the Board in such a way as to give rise to a conflict of interest, the affected board member shall make known the potential conflict, whether disclosed by their written statement or not, and after answering any questions that might be asked them, shall recuse for so long as the matter shall continue under discussion. In addition, other board members who themselves have had pecuniary benefit transaction with the Corporation in the same fiscal year shall vote on it. The Board will comply with all the requirements of New Hampshire law where conflicts of interest are involved, including but not limited to the requirement of a two-thirds vote

where the financial benefit to the director or trustee is between \$500.00 and \$5,000.00 in a fiscal year, and to the requirement of a two-thirds vote and publication in the required newspaper where the financial benefit exceeds \$5,000.00 in a fiscal year.

Statutory Requirement: The New Hampshire statutory requirements dealing with pecuniary benefits (RSA 7: 19, II) are hereby incorporated in full into and made an integral part of this conflict of interest policy and a copy of the relevant New Hampshire statute' are attached here to so that every Board member is aware of the statutory requirements. These requirements include, but are not limited to the following:

- There is an absolute prohibition on loans from a charitable trust to a director, officer or trustee.
- There is a prohibition of any sale or lease (for a term greater than five years) or conveyance of real estate from an officer, director or trustee without the prior approval of the probate court. These requirements extend to both direct and indirect financial interests, as defined by the attached statutes.