

United Hook & Ladder Company #33

CONFLICT-OF-INTEREST POLICY

ADOPTED 8/28/2013

The purpose of this conflict-of-interest policy is to prevent the institutional or personal interests of United Hook & Ladder Company #33 ("UHL") board members, officers, and staff from interfering with the performance of their duties to UHL, and to ensure that there is no personal, professional, or political gain at the expense of UHL. This policy is not designed to eliminate relationships and activities that may create a duality of interest, but to require the disclosure of any conflicts of interest and the recusal of any interested party in a decision relating thereto.

A conflict of interest may exist when the interests or potential interests of any director, officer, or staff member, or that person's close relative, or any individual, group, or organization to which the person associated with UHL has allegiance, may be seen as competing with the interests of UHL, or may impair such person's independence or loyalty to UHL. A conflict of interest is defined as an interest that might affect, or might reasonably appear to affect, the judgment or conduct of any director, officer, or staff member in a manner that is adverse to the interests of UHL.

Examples

A conflict of interest may exist if a director, officer, staff member, or close relative

- Has a business or financial interest in any third party dealing with UHL. This does not include ownership interest of less than 5 percent of outstanding securities of public corporations.
- Holds office, serves on a board, participates in management, or is employed by any third party dealing with UHL, other than direct funders to UHL.
- Derives remuneration or other financial gain from a transaction involving UHL (other than salary reported on a W-2 or W-9 or salary and benefits expressly authorized by the board).
- Receives gifts from any third party on the basis of his or her position with UHL (other than occasional gifts valued at no more than \$[50], or if valued at more than \$[50], the gift is made available in a team space or common area for others to share — e.g., fruit baskets, boxes of candy). All other gifts should be returned to the donor with the explanation that UHL policy does not permit the acceptance of gifts. No personal gift of money should ever be accepted.
- Engages in any outside employment or other activity that will materially encroach on such person's obligations to UHL; compete with UHL's activities; involve any use of UHL's equipment, supplies, or facilities; or imply UHL's sponsorship or support of the outside employment or activity

Use of Information

Directors, officers, and staff shall not use information received from participation in UHL affairs, whether expressly denominated as confidential or not, for personal gain or to the detriment of UHL.

Disclosure and Recusal

Whenever any director has a conflict of interest or a perceived conflict of interest with UHL, he or she shall notify the Board President of such conflict in writing.

Whenever any staff member (paid or volunteer) has a conflict of interest or a perceived conflict of interest with UHL, he or she shall notify the Operations Manager of such conflict in writing.

When any conflict of interest is relevant to a matter that comes under consideration or requires action by the board, or a board committee, the interested person shall call it to the attention of the board chair and shall not be present during board or committee discussion or decision on the matter. However, that person shall provide the board or applicable committee with any and all relevant information on the particular matter.

The minutes of the meeting of the board or its committee shall reflect that the conflict of interest was disclosed, that the interested person was not present during discussion or decision on the matter, and did not vote.

Dissemination

A copy of this conflict-of-interest policy shall be furnished to each director, officer, and staff member who is presently serving this organization or who may become associated with it.

Certification

The policy and its application shall be reviewed annually for the information and guidance of directors, officers, and staff members, each of whom has a continuing responsibility to scrutinize their transactions and outside business interests and relationships for potential conflicts of interest, and make such disclosures as described in this policy.

As administered by the Operations Manager, each director will be asked to complete a certification of agreement with the policy and disclosure of any known conflicts of interest upon his or her election or re-election to the board and annually thereafter. In addition, each senior staff member will be asked to complete such a certification upon his or her employment and on an annual basis thereafter. All certifications shall be reviewed by the board as appropriate.

**Conflict Certification for
United Hook and Ladder Company #33
Board and Senior Staff**

I have read and agree to abide by UHL's Conflict-of-Interest Policy. To the best of my knowledge, I have identified and disclosed any Conflicts of Interest below.

In addition, I have reviewed the attached information regarding Family and Business Relationships and have disclosed any relationships below.

Signature

Date

Name (please print)

** Please describe any Conflicts of Interest or Family and Business Relationships below.
If none, please state "none." **

Family and Business Relationship Disclosures

Please also identify any **Family Relationship** or **Business Relationship** you had or currently have with another of the organization's current officers, directors, trustees, or key employees at any time during the organization's tax year. For each family and business relationship, please describe by identifying the persons and the relationship. It is sufficient to enter "Family Relationship" or "Business Relationship" without greater detail.

Family Relationship includes only his or her spouse, ancestors, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren and great-grandchildren.

Business Relationships between two persons include the following:

- One person is employed by the other in a sole proprietorship or by an organization with which the other is associated as a trustee, director, officer, or greater-than-35% owner.
- One person is transacting business with the other (*other than in the normal course of business*), directly or indirectly, in one or more contacts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of \$10,000 in the aggregate during the organization's tax year. Indirect transactions are transactions with an organization with which the one person is associated as a trustee, director, officer, or greater-than-35% owner.
- The two persons are each a director, trustee, officer of greater than 10% owner in the same business or investment entity (but not in the same tax-exempt organization).

Ownership is measured by stock ownership (either voting power or value, whichever is greater) of a corporation, profits or capital interest in a partnership or limited liability company (whichever is greater), membership interest in a nonprofit organization, or beneficial interest in a trust.

Privileged Relationship Exception - a "business relationship" does not include a relationship between an attorney and client, a medical professional (including psychologist) and patient, or a priest/clergy and penitent/communicant.

Examples:

#1: B is an officer of the organization, and C is a member of the organization's governing body. B is C's sister's spouse. The organization must report that B and C have a family relationship.

#2: F and G are trustees of the organization. F is the owner and CEO of an automobile dealership. G purchased a \$45,000 car from the dealership during the organization's tax year in the ordinary course of the dealership's business, on terms generally offered to the public. The relationship between F and G is not a reportable transaction because the transaction was in the ordinary course of business on terms generally offered to the public.

#3: H and J are members of the organization's board of directors. Both are CEOs of publicly traded corporations and serve on each other's boards. The relationship between H and J is a reportable business relationship because each is a director or officer in the same business entity. (However, serving on the board of the same *non-profit* entity would not be considered a reportable business relationship.)

#4: D and E are officers of the organization. D is also a partner in an accounting firm with 300 partners (with a 1/300 interest in the firm's profits and capital) but is not an officer, director or trustee of the accounting firm. D's accounting firm provides services to E in the ordinary course of the accounting firm's business, on terms generally offered to the public, and receives \$100,000 in fees during the year. The relationship between D and E is *not a reportable* business relationship, either because (1) it is in the *ordinary course of business* on terms generally offered to the public, or (2) D does not hold a *greater-than-35% interest* in the accounting firm's profits or capital.