



## **Conflict of Interest Policy**

### **Purpose**

The purpose of the conflict of interest policy is to protect the Barrington Bronco's Hockey Club (hereafter "BBHC") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director. It is vital to maintain the independence of the Board of Directors of the Barrington Bronco's Hockey Club as a 501(c)(3) from undue influence, potential conflicts of interest or inappropriate financial dealings undermining the Clubs IRS status or adversely influencing BBHC's compliance with AHAI and/or USAH By-Laws, Rules, Regulations and Policies. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### **Definitions**

#### **Financial Interest**

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

- a.** An ownership or investment interest in any entity with which BBHC has a transaction or arrangement,
- b.** A compensation arrangement with BBHC or with any entity or individual with which the Organization has a transaction or arrangement, or
- c.** A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which BBHC is negotiating a transaction or arrangement. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the BBHC Board of Directors decides that a conflict of interest exists.

### **Procedures**

#### **1. Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors.

#### **2. 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 Board 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.

#### **3. Procedures for Addressing the Conflict of Interest**

After exercising due diligence, the board shall determine whether the Organization 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. 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 Organization's best interest, for its own benefit, 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.

#### **4. Violations of the Conflicts of Interest Policy**

If the board 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 board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.