



Conflict of Interest Policy

The purpose of this conflict of interest policy is to protect MYHA's interests when it is contemplating entering into a transaction that might benefit the personal interests of an MYHA officer, director, or committee member. 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.

Definitions

1. **"Interested Person"** means any MYHA director, officer, or member of a committee with MYHA governing board delegated powers, who has a direct or indirect Financial Interest.

2. **"Financial Interest"** means a person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which MYHA has a transaction or arrangement,
 - b. A compensation arrangement (including significant gifts) with MYHA or with any entity or individual with which MYHA has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which MYHA is contemplating 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 MYHA Board of Directors (the "Board") determines that a conflict of interest exists.

Procedure

1. **Duty to Disclose:** In connection with any actual or potential conflict of interest, an Interested Person must disclose the existence of the Financial Interest to the Board in writing.



2. Determining Whether a Conflict of Interest Exists: The Interested Person will be given an opportunity at a Board meeting to explain the Financial Interest, disclose all material facts, and answer questions from the Board. Then the Interested Person will leave the Board meeting while the determination of a conflict of interest is discussed and voted upon by the remaining disinterested Board members. The Board's vote will determine whether a conflict of interest exists and how to proceed according to the following procedures:

- a. The Board may, if appropriate, vote for and appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- b. After due diligence, the MYHA Board shall determine whether MYHA 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.
- c. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the MYHA Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in MYHA'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.

3. Violations of the Conflict of Interest Policy:

- a. If the MYHA Board has reasonable cause to believe a member has failed to disclose an 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.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the MYHA Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take disciplinary and corrective action it deems appropriate under the circumstances.

Record of Proceedings



The minutes of the conflict of interest proceeding shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the MYHA Board's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

MYHA Compensation

A voting member of the MYHA Board who receives compensation, directly or indirectly, from MYHA for services is precluded from voting on matters pertaining to that member's compensation. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from MYHA for services is precluded from voting on matters pertaining to that member's compensation.

Third Party Knowledge of Unreported Possible Conflict of Interest

If a person believes there to be an unreported conflict of interest, they may file a complaint, report or inquiry.

WHERE TO REPORT - Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the basis of the complaints, reports or inquiries and be directed to the MYHA President, Vice President, Treasurer or Secretary immediately. MYHA will conduct a prompt, discreet, and objective review or investigation. MYHA may be unable fully evaluate a vague or general complaint, report, or inquiry that is made anonymously.

Complaints may be submitted in writing via email to MYHA President at president@tonkahockey.org and/or to MYHA VP at vp@tonkahockey.org or via



hardcopy to MYHA, 18313 Highway 7, Minnetonka, MN 55345. All complaints will be addressed promptly.