

BYLAWS OF THE CODE GREEN CAMPAIGN
Amendment I

Conflict of Interest Policy and Annual Statement

1. Purpose

- 1.1. The Code Green Campaign, hereafter “Code Green”, is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of Code Green as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as members of the public.
- 1.2. Consequently, there exists between Code Green and its board, officers, employees, volunteers, and the public a fiduciary duty, which carries with it a board and unbending duty of loyalty and fidelity. The board, officers, employees, and volunteers have the responsibility of administering the affairs of Code Green honestly and prudently, and of exercising their best carem skill, and judgement for the sole benefit of Code Green. Those person shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with Code Green or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.
- 1.3. The policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

2. Definitions

- 2.1. **Interested person** - Any director, officer, committee member, employee, or volunteer who has direct or indirect financial interest, as defined below, is an interested person.
- 2.2. **Financial interest** - A person has financial interest if the person has, directly or indirectly, through business, investment, or family:
 - 2.2.1. Ownership or investment interest in any entity with which Code Green has a transaction or arrangement.
 - 2.2.2. A compensation arrangement with Code Green or with any entity or individual with which Code Green has a transaction or arrangement, or
 - 2.2.3. A potential ownership or investment interest in, or compensation arrangements with, any entity or individual with which Code Green is negotiating a transaction or arrangement.

- 2.3. **Compensation** - Compensation includes direct and indirect remuneration as well as gifts or favors with monetary value.

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 Board of Executive Committee decides that a conflict of interest exists, in accordance with the policy.

- 2.4. **Appearance of conflict** - A situation in which a person of interest has a connection with an outside entity that could appear as a conflict of interest to an outside party, even if no official conflict exists, as defined by this document.

- 2.5. **Independent Director** - A director shall be considered “independent” for the purposes of this policy if he or she is “independent” as defined in the instructions for the IRS 990 form or, until such a definition is available, the director:

- 2.5.1. is not, and has not been for a period of at least 3 years an employee of Code Green or any entity in which Code Green has an interest.
- 2.5.2. does not directly or indirectly have a significant business relationship with Code Green, which might affect independence in decision-making;
- 2.5.3. is not employed as an executive of another corporation where any of Code Green’s executive officers or employees serve on that corporation’s compensation committee; and
- 2.5.4. does not have an immediate family member who is an executive officer or employee of Code Green, or who holds a position that has a significant financial relationship with Code Green.

3. **Procedures**

- 3.1. **Duty to disclose** - An interested person must disclose any actual, possible, or appearance of a conflict of interest to the Board or Executive Committee.
- 3.2. **Recusal** - Any member of the board, officer, employee or volunteer may recuse himself or herself at any time from involvement in any decision or discussion in which an actual, possible, or appearance of a conflict of interest exists.
- 3.3. **Determining whether a conflict of interest exists** - The interested person must disclose the financial interest and all material facts to the The Governing Board or Executive Committee during a formal meeting. He/she must leave said meeting while the determination of a conflict of interest is discussed and voted upon. The Board or Executive Committee shall be responsible for determining if a conflict exists.

3.4. Procedure for addressing a conflict of interest

- 3.4.1. 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.
- 3.4.2. 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.
- 3.4.3. After exercising due diligence, the governing board or committee shall determine whether the corporation 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.
- 3.4.4. 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, 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.

3.5. Violations of the conflict of interest policy

- 3.5.1. 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.
- 3.5.2. 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.

4. Confidentiality

- 4.1. Each director, officer, committee member, employee, or volunteer shall exercise care not to disclose confidential information acquired in connection with disclosures of conflicts of interest or potential conflicts, which might be adverse to the interests of Code Green.

- 4.2. Furthermore, directors, officers, committee members, employees, and volunteers shall not disclose or use information relating to the business of Code Green for the benefit of themselves, their family, or an outside entity.

5. Records of proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- 5.1. 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 governing board's or committee's decision as to whether a conflict of interest in fact existed.
- 5.2. 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.

6. Compensation

- 6.1. A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.
- 6.2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.
- 6.3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

7. Compliance

- 7.1. Annually, all directors, officers, committee members, employees, and volunteers shall sign a statement which affirms that they:
 - 7.1.1. Have received a copy of the conflict of interest policy,
 - 7.1.2. Have read and understand the policy,
 - 7.1.3. Have agreed to comply with the policy, and

- 7.1.4. Understand Code Green is a charitable organization and in order to maintain federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- 7.2. Annually, all directors, officers, committee members, employees, and volunteers shall sign a statement which declares whether such person is an independent director.
- 7.3. If at any time during the year, the information in the annual statement changes materially, the director shall disclose such changes and revise the annual disclosure form.

8. Reviews

- 8.1. To ensure Code Green operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
 - 8.1.1. Whether compensation arrangements are reasonable, based on competent survey information (if available), and the result of arm's length bargaining.
 - 8.1.2. Whether partnerships, joint ventures, and arrangements with management organizations if any, conform to Code Green's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, and further charitable purposes and do not result in the inurement or impermissible private benefit or in an excess benefit transaction.
- 8.2. When conducting the periodic reviews, Code Green may use outside advisors at the discretion of the Board or Executive Committee. If outside experts are used, their use shall not relieve the Board or Executive Committee of its responsibility for ensuring periodic reviews are conducted.

**CONFLICT OF INTEREST ACKNOWLEDGEMENT
AND DISCLOSURE FORM**

Name: _____ **Position:** _____

Independent Director: YES NO

I hereby declare that I have read The Code Green Campaign conflict of interest policy and agree to comply with said policy fully. Furthermore I understand that if an actual or potential conflict of interest arises after signing this form I am obligated to report it to the Board or Executive Committee immediately.

At this time I **DO** **DO NOT** have any potential conflicts of interest to report.

Disclosure of actual or potential conflicts of interest:

Signature: _____

Name: _____

Date: _____

Received by: _____

Title: _____