

# Conflict of Interest Policy

## **Description:**

Governing disclosure and conduct of Board members, corporate officers, or any persons with financial interest in proposed OASIS transactions or arrangements

## **Article I Purpose**

The purpose of this conflict of interest policy is to protect OASIS' interests when it contemplates entering into actions or arrangements that might benefit the private interest of an officer or director of OASIS or might result in a possible excess benefit transaction. This policy supplements but does not replace any applicable state and federal laws governing conflicts of interest.

## **Article II Definitions**

1. Interested Person. Any Board member, corporate officer, or person exercising delegated authority as described in Article III, Section 2, who has a direct or indirect Financial Interest, as defined below, is an Interested Person for purposes of this policy.
2. Financial Interest. A person has a Financial Interest with respect to a proposed transaction, arrangement or appeal, if the person has, directly or indirectly, through business, employment, investment, or family:
  - a. An ownership or investment interest in any entity with which OASIS has or proposes to have a transaction or arrangement or adjudicates an appeal,
  - b. A compensation arrangement with OASIS or with any entity or individual with which OASIS has or proposes to have a transaction or arrangement or adjudicates an appeal, or
  - c. A likely potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which OASIS has or proposes to have a transaction or arrangement or adjudicates an appeal.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A Financial Interest is not necessarily a Conflict of Interest. Article III, Section 2 of this Policy provides a description of how the Board determines whether a Conflict of Interest exists.

## **Article III Procedures**

1. Duty to Disclose. Members of the Board and corporate officers must disclose to the Board the existence of a Financial Interest and all material facts that may give rise to an actual or possible Conflict of Interest,

when the Board considers the proposed transaction, arrangement or appeal.

2. ***Determining Whether a Conflict of Interest Exists.*** When a Board member or corporate officer's actual or possible Conflict of Interest has been brought to the attention of the Board, that person shall have an opportunity to discuss the matter with the Board. Immediately afterwards, if the affected member or officer does not agree that an actual or possible Conflict of Interest exists, then that person shall leave the Board meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Board members shall decide if a Conflict of Interest exists, before the Board takes action on the proposed transaction, arrangement or appeal.
3. **Procedures for Addressing the Conflict of Interest.** Once a determination has been made that a Conflict of Interest exists, the Interested Person may make a presentation at the Board meeting on the matter in question, but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on, the relevant transaction, arrangement or appeal. If the Board deems it appropriate, the chairperson of the Board shall appoint a disinterested person or committee to investigate alternatives to a relevant proposed transaction or arrangement:
  - a. After exercising due diligence and receiving the report of that person or committee, the Board shall determine whether OASIS can obtain with reasonable efforts a more advantageous transaction or arrangement with a person or entity that would not give rise to a Conflict of Interest.
  - b. If a more advantageous transaction or arrangement is not reasonably possible under circumstances that do not produce a Conflict of Interest, the Board shall determine by a majority vote of the disinterested Board members whether the transaction or arrangement is in OASIS' best interest, for its own benefit, and whether it is fair and reasonable, which findings shall govern its decision 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 Board member or corporate officer has failed to disclose an actual or possible Conflict of Interest, it shall inform the person of the basis for such belief and afford her or him an opportunity to explain the alleged failure to disclose. If, after hearing the person's response and after making further investigation as warranted by the circumstances, the Board determines that the person has failed to disclose an actual or possible Conflict of Interest, it shall take appropriate disciplinary and corrective action.
5. **Committees and Persons Exercising Delegated Authority.** The procedures and requirements of this Policy applicable to the actions, meetings and members of the Board of Directors, and corporate officers, also shall apply to any committee exercising delegated power of the Board of Directors, and any person exercising the delegated power of a corporate officer, respectively.

## **Article IV Records of Proceedings**

The minutes of the Board 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, actions taken to determine whether a Conflict of Interest was present, and the 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 relevant transaction, arrangement or appeal, any alternatives discussed, and a record of the individual votes cast in connection with the Conflict of Interest proceedings.

## Article V Compensation

A Board member or corporate officer who receives compensation, directly or indirectly, from OASIS for services may not vote on matters pertaining to that person's compensation; but is not prohibited from providing information to the Board, or any of its committees, regarding compensation.

## Article VI Annual Statements

Each Board member and corporate director shall sign a statement annually which affirms that such person has received a copy of this Policy, has read and understands this Policy, and understands that OASIS maintains not-for-profit and tax-exempt status, and must engage primarily in activities which accomplish its permitted exempt purposes.

## Article VII Periodic Reviews

To ensure that OASIS operates in a manner consistent with its non-profit purposes and its status as an organization exempt from federal income tax, the Board shall authorize and oversee periodic reviews on at least an annual basis of the administration and continuing suitability of, this Conflict of Interest Policy.

Dates

**Approved:**

Thu, 2011-03-03

**Effective:**

Thu, 2011-03-03

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