

**Policy on Standards of Conduct and Avoidance of Conflicts of Interest**

**A.R.S. § 10-3864.A provides that a non-profit corporation shall adopt a policy regarding conflicts of interest.**

**Section 1. *Statement of Policy.*** The Corporation shall adhere to high standards of ethical conduct in governance and operations and shall ensure that the members of the Board of Directors do not have or give the appearance of conflict of interest and do not use their relationship with the Corporation for personal gain.

**Section 2. *Obligations.***

a. Members of the Board of Directors shall (i) recuse themselves on matters where their objectivity would be compromised or questioned, and (ii) disclose any relationship and not participate in a vote taken with respect to any transaction, including without limitation, any action of the Corporation that would have a direct financial impact on the member's business, or action of the Corporation would benefit the interests of a "related person" as defined in A.R.S. § 10-3860.3.

b. Members of the Board of Directors may not:

- Knowingly engage in any conduct or activities that are inconsistent with the Corporation's best interests or that disrupt or impair the Corporation's relationship with any person or entity with which the Corporation has or proposes to enter into a business or contractual relationship.
- Accept compensation, in any form, for services performed for the Corporation from any source other than the Corporation and then, only under specific authorized approved by the Board of Directors in accordance with the Bylaws. Members may be reimbursed for actual expenses incurred on behalf of the Corporation.
- Offer, give or receive gifts to or from anyone who deals with the Corporation where the gift is being made in order to influence actions as member of the Board of Directors or where acceptance of the gifts could create the appearance of a conflict of interest.

**Section 3. *Exceptions.*** Exceptions to this policy may only be granted by specific resolution of the Board of Directors.