



Conflict of Interest Policy

Preamble

As a not-for-profit charitable corporation, the Naperville Swim Conference, here and throughout listed as the NSC, is expected to act in the public good. Decisions of the NSC are to be made solely on the basis of a desire to promote the best interests of the organization and its mission and not because of any personal interest that any Board or Committee member or employee of the NSC may have with respect to a particular transaction or business matter. The Conflict of Interest Policy described below is intended to ensure that the personal interest of any NSC Person does not inappropriately affect the decisions and actions of the NSC concerning transactions, investments or other matters involving the NSC.

Scope

The following statement of policy applies to each member of the Board.

Policy

- A. It is the policy of the NSC that no NSC Person or their Family Members should derive any personal economic benefit, directly or indirectly, by reason of such person's membership on the Board, services to the Board or the Board or because of employment by the NSC (except in the case of employees for reasonable compensation). Each director or member of a Committee shall disclose to the Board or the Board Committee any personal interest, which he or she or any Family Members may have in any matter pending, or expected to come, before the Board or Board Committee. Each employee shall disclose to the President any personal interest, which he or she or any Family Member may have in any matter or transaction involving the NSC.
- B. Each NSC Person shall submit an annual disclosure statement listing all organizations which will, or may be reasonably expected to, engage in business transactions (other than payment of dues or grants) with the NSC, and in which such NSC person or a Family Member has a Material Financial Interest or in which the NSC Person or a Family Member acts as a director, consultant, partner, trustee, officer, member of the Executive Committee or employee. A NSC Person or Family Member has a Material Financial Interest in an organization if he/she (i) owns, directly or indirectly, more than 5% of the organization's equity interest, (ii) is owed money by the organization in excess of 5% of the organization's overall indebtedness or in excess of 2% of the NSC Person or Family Member's net worth, or (iii) receives compensation from the Entity in excess of 2% of the income of the NSC Person or Family Member.
- C. "Family Members" of a NSC Person are his or her spouse, parents, children, or grandchildren provided such persons are residing in the same home and shall also include any other individual residing in the home not otherwise described herein. Family Members shall also include the persons described above (other than an unrelated individual) living outside the home only if the [organization] Person has actual knowledge of the interest or affiliation of such Family Member.



Administration

Disclosure statements shall be submitted to the Secretary of the Executive Committee, who with the President shall be responsible for the administration of this policy. If a disclosure shows that there is or may be a conflict of interest with respect to a pending transaction, the Board shall be so advised and the matter shall be handled as provided in section 5 below. Except as necessary to effectuate this policy or where disclosure is otherwise in the best interests of the organization, the persons shall hold the information disclosed in disclosure statements in confidence authorized to receive and act upon it.

Restraint on Participation

A NSC Person who has a conflict of interest in any proposed transaction or other matter shall refrain from participating in consideration of the proposed transaction or other matter, except such individual shall provide information and interpretation as requested by the Board or Board Committee. In the case of a director or member of a Board Committee, her or she shall not vote on the matter in question and, if so requested by the Chair or any member of the Board or Board Committee, shall not be present at the time of the final discussion and/or vote.

Advance Determinations

Any member of the Board who is uncertain about possible conflict of interest in any matter may request the Executive Committee to determine whether a possible conflict exists; the Executive Committee shall resolve the question by majority vote. If the Executive Committee deems it appropriate, the question of potential conflict may be referred to counsel for an opinion prior to the Executive Committee vote.