

## **NIAGARA ORLEANS REGIONAL LAND IMPROVEMENT CORPORATION**

### **Statement of Purpose:**

This Conflict of Interest Policy (the "Policy") by the Niagara Orleans Regional Land Improvement Corporation (NORLIC) sets clear expectations and principles to guide practice and inspire professional excellence. NORLIC believes a commonly held set of principles can assist in the individual exercise of professional judgment. This Policy speaks to the core values of public accountability and transparency. The purpose of having a Conflict of Interest Policy is to protect the credibility of NORLIC by ensuring high standards of honesty, integrity, and conduct of staff. To that end, this Policy attempts to accomplish this by articulating the ethical standards observed by NORLIC in pursuing and implementing its objectives, and setting rules and policies that prevent conflicts of interest.

### **Definition of Conflicts of Interest:**

A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence NORLIC policies or actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any Member of the Board of Directors or his or her immediate family (spouse, parents, children, brothers or sisters, and spouses of these individuals); or, (c) any organization in which he or she, or an immediate family member is a member, trustee, officer, member, partner or more than 10% shareholder. Service on the board of another not-for-profit agency does not constitute a conflict of interest.

### **Disclosure of Conflicts of Interest:**

A Director or Officer shall disclose a conflict of interest: (a) prior to voting on or otherwise discharging his or her duties with respect to any matter involving the conflict which comes before the Board of Directors or any committee; (b) prior to entering into any contract or transaction involving the conflict; (c) as soon as possible after the Member of the Board of Directors or Officer learns of the conflict; and, (d) on the annual conflict of interest disclosure form. The Secretary of NORLIC shall distribute annually to all Members of the Board of Directors and Executive Officers a form soliciting the disclosure of all conflicts of interest, including specific information concerning the terms of any contract or transaction with NORLIC and whether the process for approval set forth in this Policy was used.

### **Approval of Contracts and Transactions Involving Potential Conflicts of Interest:**

A Director or Officer who has or learns about a potential conflict of interest should disclose promptly to the Secretary of NORLIC the material facts surrounding any actual or potential conflict of interest, including specific information concerning the terms of any contract or transaction with NORLIC. All effort should be made to disclose any such contract or transaction and have it approved by the Board of Directors before the arrangement is entered into.

Following receipt of information concerning a contract or transaction involving a potential conflict of interest, the Board of Directors shall consider the material facts concerning the proposed contract or transaction, including the process by which the decision was made to recommend entering into the arrangement on the terms proposed. The Board of Directors shall approve only those contracts or transactions in which the terms are fair and reasonable to NORLIC and the arrangements are consistent with the best interests of NORLIC. Fairness includes, but is not limited to, the concepts that NORLIC should pay no more than fair market value for any goods or services which NORLIC receives and that NORLIC should receive fair market value consideration for any goods or services that it furnishes others. The Board of Directors shall set forth the basis for its decision with respect to approval of contracts or transactions involving conflicts of interest in the minutes of the meeting at which the decision is made, including the basis for determining that the consideration to be paid is fair to NORLIC.

**Validity of Actions:**

No contract or other transaction between NORLIC and one or more of the Members of the Board of Directors or Officers or between NORLIC and any other company, corporation, firm, association or other entity in which one or more of its Members of the Board of Directors or Officers are members of the Board of Directors or Officers or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such member or members of the Board of Directors or Officers are present at the meeting of the Board of Directors, or of a committee thereof, which authorizes such contract or transaction, or that his or her, or their votes are counted for such purpose, if the material facts as to the interest of such Member of the Board of Directors or Officer in such contract or transaction and as to any such common membership, officership or financial interest are disclosed in good faith or known to the Board of Directors or committee, and the Board of Directors or committee authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of such interested member or members of the Board of Directors or Officers. Common or interested Members of the Board of Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or committee which authorizes such contract or transaction. At the time of the discussion and decision concerning the authorization of such contract or transaction, the interested Member of the Board of Directors or Officer may not be present at the meeting.

**Employee Conflicts of Interest:**

An employee of the NORLIC with a potential conflict of interest in a particular matter shall promptly and fully disclose the potential conflict to his or her supervisor. The employee shall thereafter refrain from participating in deliberations and discussion, as well as any decisions, relating to the matter and follow the direction of the supervisor as to how NORLIC's decisions which are the subject of the conflict will be determined. The President shall be responsible for determining the proper way for the NORLIC to handle NORLIC decisions which involve unresolved employee conflicts of interest. In making such determinations, the President may consult with legal counsel.

The President shall report to the Board of the Directors at least annually concerning employee conflicts of interest which have been disclosed and contracts and transactions involving employee conflicts which the President has approved.