



CONFLICT OF INTEREST POLICY

Policy Number: 0001
Effective Date: 01/2022
Review Date: 01/2023

Purpose

This Conflicts of Interest Policy (this “**Policy**”) is intended to provide a method for disclosing and addressing potential and actual Conflicts of Interest (as defined below) in connection with the governance and management of Natrona Collective Health Trust (the “**Health Trust**”). The purpose of this Policy is to protect the interests of the Health Trust, the community, and the people it serves, and to ensure that the Health Trust at all times continues to be organized and operated exclusively for charitable purposes within the meaning of Internal Revenue Code Section 501(c)(3), rather than for the personal and private benefit of any person.

Definitions

A. **Interested Person.** Any person serving as a member of the Health Trust’s Board of Directors or as a duly-elected or appointed officer of the Health Trust who either: (i) has a direct or indirect Financial Interest, as defined in Section B below, or (ii) intends or expects to acquire a direct or indirect Financial Interest at any time during the duration of the proposed transaction or arrangement.

B. **Financial Interest.** An interest, whether through business, investment, or family, that can be described as either of the following:

- i. An ownership or investment interest in any entity with which the Health Trust has a transaction or arrangement; or
- ii. A Compensation Arrangement with the Health Trust or with any entity or individual with which the Health Trust has a transaction or arrangement.

A Financial Interest need not be held as of the date of deliberations or action by the Board; rather, it is sufficient for purposes of this Policy if, as of the date of deliberations or action by the Board, the Interested Person intends or expects that he or she will acquire a Financial Interest at any time during the duration of the proposed transaction or arrangement under consideration.

C. **Compensation Arrangement.** Any agreement or understanding pursuant to which a person may or shall receive, either directly or indirectly, money or property from another person or organization, irrespective of whether such money or property is paid in consideration for the performance of services or the provision of other value.

D. Conflict of Interest. With respect to a matter for deliberation or action by the Board, any circumstance under which an Interested Person, by virtue of a Financial Interest, may be influenced, or may appear to be influenced, either in whole or in part by any purpose or motive other than the success and well-being of the Health Trust and the achievement of its charitable purposes.

Procedures

A. Disclosure of Financial Interest. If at any time an Interested Person becomes aware that the Board may or shall deliberate or act upon any transaction or arrangement that may have any bearing of any kind upon, or may relate in any manner to, a Financial Interest of the Interested Person, such Interested Person shall disclose the Financial Interest to the Board as follows:

- i. The Interested Person shall provide to the Board, in advance of deliberations or action by the Board, written disclosure of the existence, nature and extent of the Interested Person's Financial Interest; or
- ii. If written disclosure cannot be provided in advance, *e.g.*, in situations where the Interested Person does not realize the nature of the transaction or arrangement to be deliberated or acted upon until deliberations have already begun, the Interested Person shall orally inform the Board immediately upon such Interested Person's realization that the transaction or arrangement may bear upon or relate to a Financial Interest of the Interested Person.

Any and all written or oral disclosures of Financial Interests shall be recorded in the minutes of the Board. Notwithstanding the foregoing, an Interested Person shall not be required to disclose pursuant to this Section A any Financial Interest that, in the exercise of such Interested Person's reasonable judgment, is so de minimis that it would not under any circumstances influence, or appear to influence, the Interested Person's judgment or actions with respect to the proposed transaction or arrangement to be deliberated and/or acted upon by the Board.

B. Recusal by Interested Person. In connection with an Interested Person's disclosure of a Financial Interest pursuant to Section A above, an Interested Person may determine that the Financial Interest creates a Conflict of Interest with respect to the proposed transaction or arrangement to be deliberated or acted upon by the Board. In such circumstances, the Interested Person may voluntarily recuse himself or herself from deliberations or action by the Board, at such time and in such form as is used by the Interested Person to disclose the Financial Interest pursuant to Section A above.

C. Determination of Conflict of Interest. Where an Interested Person has provided advance written disclosure of a Financial Interest but has not voluntarily recused himself or herself from deliberations of or action upon the proposed transaction or arrangement, the Board shall, prior to commencing its deliberations or taking action, determine whether the Financial Interest creates a Conflict of Interest, as defined above. The Interested Person shall not participate in any discussions or vote related to this determination, except to the extent necessary to fully explain the Financial Interest and the manner in which the proposed transaction or arrangement to be deliberated or acted upon by the Board may or will bear upon or relate to the Financial Interest.

Acting either at the request of any member of the Board or in his or her individual discretion, the Board Chair may direct that the Interested Person leave the meeting room for all or any part of the discussions or vote related to the determination of whether the Financial Interest creates a Conflict of Interest.

D. Exclusion from Deliberations and Vote. In circumstances where the Board determines that a Conflict of Interest exists, the Interested Person shall not participate in any deliberations or vote regarding the transaction or arrangement at issue, and shall not be present in the meeting room for any part of the deliberations or vote relating to the transaction or arrangement. Notwithstanding the foregoing, prior to the commencement of the Board's deliberations, the Interested Person may provide information to the Board regarding the proposed transaction or arrangement, either voluntarily or in response to specific requests from the Board.

E. Action by Board. With respect to any transaction or arrangement with regard to which the Board has determined that a Conflict of Interest exists, the Board shall discuss such transaction or arrangement as appropriate, but shall not formally approve such transaction or arrangement unless and until the non-interested members of the Board have decided, by majority vote (or such greater vote as may be required under the Health Trust's Bylaws or applicable law), that the transaction or arrangement is in the best interest of and for the benefit of the Health Trust, and is fair and reasonable thereto in all respects. In complying with this Section E, the Board shall recognize that, under certain circumstances, a decision made pursuant to this Section may necessitate an investigation of alternatives to the proposed transaction or arrangement, and/or a determination as to whether a more advantageous transaction or arrangement might be obtained with reasonable efforts under the circumstances.

F. Meeting Minutes. Minutes of meetings of the Board shall reflect all disclosures of Financial Interests. Such minutes shall further reflect the determination of the Board as to whether a Conflict of Interest exists, and the objection of the Interested Person (if any) to such determination. Where a Conflict of Interest has been determined to exist, the minutes shall reflect the Board's compliance with the procedures described in Sections A through E above. With respect to any transaction or arrangement with regard to which a Conflict of Interest has been determined to exist, meeting minutes shall describe the substance of the deliberations relating to the transaction or arrangement, and who was present for such deliberations. In addition, minutes shall identify the members who were present for any and all votes upon such transaction or arrangement.

G. Periodic Review of Policy Implementation. To ensure the utmost efficacy of this Policy, the Board shall establish a system to ensure the periodic review of the record of implementation of this Policy.

H. Periodic Review of Transactions and Arrangements. In connection with and in addition to the above, the Board shall establish a system to ensure the periodic review of actions taken by the Board on behalf of the Health Trust. Such review is intended to ensure that the Health Trust continues at all times to be operated exclusively for the achievement of its charitable purposes, rather than for the benefit of one or more private persons.

I. Written Acceptance. At least annually, each member of the Board and each officer of the Health Trust shall sign a written statement certifying to all of the following:

- i. He or she has received a copy of this Policy;
- ii. He or she has read and understands this Policy;
- iii. He or she agrees to comply with this Policy;
- iv. He or she understands that this Policy applies to all committees having board-delegated powers; and
- v. He or she understands that the Health Trust is a tax-exempt organization and, in order to maintain the tax-exempt status of the Health Trust under Internal Revenue Code Section 501(c)(3), the Health Trust must continuously engage primarily in activities which accomplish its charitable purposes.

Any member of the Board who refuses or fails to sign such a statement shall be prohibited from participating in deliberations or action by the Board.

J. Failure to Disclose Financial Interests. If it is determined at any time that an Interested Person has negligently or intentionally failed to disclose a Financial Interest, the Board Chair shall consider the imposition of such sanctions as the Board Chair, in his or her exclusive discretion, may deem appropriate.

Key Reviewer/Owner: Board Chair

ACCEPTANCE OF CONFLICTS OF INTEREST POLICY
OF
NATRONA COLLECTIVE HEALTH TRUST

The undersigned, as a member of the Board of Directors of Natrona Collective Health Trust (the “**Foundation**”), hereby acknowledges and agrees as follows:

- (a) He or she has received a copy of the Foundation’s Conflicts of Interest Policy (the “**Policy**”);
- (b) He or she has read and understands the Policy;
- (c) He or she agrees to comply with the Policy;
- (d) He or she understands that the Policy applies to all committees having board-delegated powers; and
- (e) He or she understands that the Foundation is a tax-exempt organization and, in order to maintain the tax-exempt status of the Foundation under Internal Revenue Code Section 501(c)(3), the Foundation must continuously engage primarily in activities which accomplish its charitable purposes.

Dated this _____ day of _____, 20 ____.

Signed: _____

Print Name: _____