

AMERICAN BOER GOAT ASSOCIATION

CONFLICTS OF INTEREST POLICY

A. Purpose. The purpose of this Conflicts of Interest Policy is to protect the interests of American Boer Goat Association (the “Association”) when it is considering entering into a transaction or arrangement that might benefit the private interest of a director of the Association. In addition, this policy is intended to protect the interests of the Association with respect to competitive activities by directors of the Association. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable organizations. **B. Definitions.**

1. **Compensation.** “Compensation” includes direct or indirect remuneration as well as gifts or favors that are substantial in nature.
2. **Competing Entity.** A “competing entity” is an organization of any legal form (other than a formal Affiliate of the Association) which as an organization is engaged in a competitive activity.
3. **Competitive Activity.** A director is engaged in a “competitive activity” if he or she is a member of the governing board or serves as an officer of an organization (other than a formal Affiliate of the Association) that registers Boer Goats. An organization (other than a formal Affiliate of the Association) is engaged in a “competitive activity” if it registers Boer Goats.
4. **Governing Interest.** A director has a “governing interest” in a competing entity if he or she is a member of the board of directors, board of trustees, or other governing board or is a named officer of a competing entity.
5. **Interest.** A person has an “interest” if the person (i) is engaged in a competitive activity or (ii) has, directly or indirectly, through business, investment, or family,
 - a. an ownership or investment or governing interest in a competing entity or any entity with which the Association has a transaction or arrangement, or
 - b. a compensation arrangement with a competing entity, the Association, or with any entity or individual with which the Association has a transaction or arrangement, or
 - c. a potential ownership or investment or governing interest in, or potential compensation arrangement with, a competing entity or any entity or individual with which the Association is negotiating a transaction or arrangement.
6. **Interested Person.** Any director of the Association who has a direct or indirect interest (as defined above) is an “interested person”.

C. Procedures.

1. **Duty to Disclose.** An interested person must disclose to the board the existence and nature of his or her competitive activity and/or other interest and, in connection with a proposed transaction or arrangement, must disclose the existence and nature of his or her interest to the directors and members of the executive committee considering the proposed transaction or arrangement. Having an interest in a competing entity or being engaged in a competitive activity is a conflict of interest. Serving as a judge, paid or unpaid, in a competition sponsored by an organization engaged in a competitive activity is not an “interest” or a “competitive activity” for purposes of this policy.
2. **Determining Whether a Conflict of Interest Exists.** After disclosure of the competitive activity and/or interest, the interested person must leave the board or executive committee meeting while the interested person’s competitive activity and/or interest is discussed. If any activity or interest is not automatically a conflict of interest, the remaining board or executive committee members will decide if a conflict of interest exists pursuant to Part C3, below.
3. **Procedures for Addressing the Conflict of Interest Other than being Engaged in a Competitive Activity or Having an Interest in a Competing Entity.**
 - a. The management of the Association shall present to the board or the executive committee the alternatives it investigated, including alternatives which would not result in a conflict of interest with the interested person. Thereafter, the President will, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - b. After exercising due diligence, the board or executive committee will determine whether the Association can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not result in a conflict of interest.
 - c. If a more advantageous transaction or arrangement is not reasonably available under circumstances that would not result in a conflict of interest, the board or executive committee must determine by a majority vote of the disinterested directors (i) whether the transaction or arrangement is in the Association’s best interest and for its own benefit and (ii) whether the transaction is fair and reasonable to the Association, and the board or executive committee will make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4. Violations of Conflicts of Interest Policy

- a. If the director discloses to the board the existence of a competitive activity or a governing interest in a competing entity, or if the board determines that such an interest exists, the board shall either (i) request in writing that such director cease such activity or resign from the Board or (ii) remove such director from his or her position.
- b. If the board or executive committee has reasonable cause to believe that a director has otherwise failed to disclose actual or possible conflicts of interest, it will inform the director of the basis for such belief and afford the director an opportunity to explain the alleged failure to disclose. If, after hearing the response of the director and making such further investigation as may be warranted in the circumstances, the board or executive committee determines that the director has in fact failed to disclose an actual or possible conflict of interest, it will take appropriate disciplinary and corrective action.

D. Records of Proceedings. The minutes of the board and the executive committee must contain

1. the names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the board's or executive committee's decision as to whether a conflict of interest in fact existed; and
2. the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith; and
3. in connection with a proposed business transaction a finding (a) that a more advantageous transaction or arrangement is not reasonably available under the circumstances that would not give rise to a conflict of interest, (b) that the transaction or arrangement is in the Association's best interest and for its own benefit, and (c) that the transaction or arrangement is fair and reasonable to the Association.

E. Annual Statements. Each director shall, within thirty (30) days after each annual meeting of the board, sign a statement in the form of Exhibit A. Such statements shall also be signed and submitted to the Association by any person desiring to be considered for election as a director of the Association. Such signed statements shall be filed with and maintained by the Secretary of the Association.

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EXHIBIT A

Annual Conflict of Interest Policy Statement

The undersigned person is [check the appropriate box]:

- a director of the Junior American Boer Goat Association (the “Association”); or
 - a candidate for director of the Association.
- a. The undersigned has received the Association’s Conflicts of Interest Policy (the “Policy”).
 - b. The undersigned has read and understands the Policy.
 - c. The undersigned has no governing interest in a competing entity.
 - d. The undersigned is not engaged in a competitive activity.
 - e. The undersigned agrees to comply fully with the Policy.
 - f. The undersigned understands that the Association is an organization that must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
 - g. This certification is given pursuant to Part E of the Policy.

Date: _____

Signature

Print name