

Women's Bar Association of the State of New York
Conflict of Interest Policy
Adopted June 26, 2014

Article I

Purpose

The purpose of the conflict of interest policy is to comply with the provisions of the Nonprofit Revitalization Act of 2013 and protect the interests of the Women's Bar Association of the State of New York (the "Association") when it is contemplating entering into a transaction or arrangement that might also benefit the private interest of an Officer, Director or Key Employee (hereafter defined) of the Association. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest.in connection with certain transactions.

Article II

Coverage

This policy shall apply to all members of the Board of Directors, Officers and Key Employees of the Association. The Association shall have the affirmative obligation to annually publicize this policy to all such parties.

Article III

Definitions

1. **Affiliate** of the Association means any entity controlled by, in control of, or under common control with the Association.
2. **Annually** means prior to the September meeting of the WBASNY Board of Directors each year.
3. **Conflict of Interest** means a disclosure by any Director, Officer or Key Employee of a Financial Interest or the disclosure of a Related Party Transaction by a Related Party under this policy resulting in a determination by the Executive Committee that a conflict exists.
4. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or a Related Party:
 - a. An ownership or investment interest in any entity with which the Association has or is negotiating a transaction or arrangement, or
 - b. A compensation arrangement with the Association or with any entity or individual with which the Association has or is negotiating a transaction or arrangement, or

- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association has or is negotiating a transaction or arrangement.

Compensation in connection with a Financial Interest includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

5. **Key Employee** shall mean a person who currently has, or at any time within the prior five (5) years had, substantial influence over the affairs of the Association.
6. **Related Party** is (i) any Director, Officer or **Key Employee** of the Association or any **Affiliate**; (ii) any **Relative** of any Director, Officer or **Key Employee** of the Association or any **Affiliate**; or (iii) any entity in which any individual described in clauses (i) or (ii) has a thirty-five (35%) or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five (5%) percent.
7. **Related Party Transaction** is any transaction, agreement or any other arrangement in which a **Related Party** has a **Financial Interest** and in which the Association or any **Affiliate** is a participant.
8. **Relative** means a spouse, ancestor, brother or sister (whole or half), child (natural or adopted), grandchild, great-grandchild and spouses of brothers, sisters, children, grandchildren and great-grandchildren or Domestic Partner under Section 2994(a) of the New York Public Health Law.

Article IV

Procedures

1. Duty to Disclose.
 - a. In connection with any actual or possible conflict of interest, a Director, Officer or Key Employee must disclose the existence of a Financial Interest.
 - b. In connection with any Related Party Transaction, a Related Party must disclose the existence of the Related Party Transaction.
 - c. Prior to the initial election of any Director and Annually thereafter, such Director shall disclose any entity of which such Director is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which the Association or any Affiliate has a relationship, and any transaction in which the Association is a participant and in which the Director has an actual or possible conflict of interest or which is a Related Party Transaction.

2. How to Disclose.

Disclosure shall be accomplished by providing Annually, and for subsequent changes not later than the Board of Directors meeting following each such change, a written description of the facts comprising the actual or possible conflict of interest or Related Party Transaction. An annual disclosure statement shall be circulated by the Association to all persons to whom this policy applies to assist them in considering such disclosures, but disclosure is appropriate and should be made as soon as possible after learning of a conflict or a Related Party Transaction in which such person is involved.

All written disclosure notices shall be filed with the Recording Secretary of the Association who shall forward such notices to the President. All disclosures shall be brought to the attention of the Executive Committee by the President at the next meeting. If the President in consultation with the Officers believes it warranted, a special meeting of the Executive Committee can be called to discuss any disclosure notice and address its content. All disclosure notices received hereunder shall be noted for the record in a report of such Committee to the Board of Directors at the next meeting and such report shall be included in the minutes of such Board meeting.

3. Participation in Discussion of the Disclosed Conflict or Related Party Transaction.

The individual who is the subject of the actual or possible conflict of interest shall not be present at, or participate in, any Executive Committee deliberation or vote concerning such conflict and is further prohibited from making any attempt to improperly influence deliberations concerning such conflict.

The Related Party who is the subject of the Related Party Transaction may not be present at, or participate in any Executive Committee deliberation or vote concerning such Related Party Transaction; however, the Executive Committee may require that a Related Party present information concerning a Related Party Transaction at an Executive Committee meeting prior to the commencement of deliberations or voting relating thereto.

4. Procedures of the Executive Committee for Addressing Disclosure Notices.

After a disclosure notice has been filed with the Recording Secretary and submitted to the President, the following procedures shall be followed.

- a. The President shall, if appropriate, appoint a disinterested person or task force to investigate alternatives to the proposed transaction or arrangement.
- b. After exercising due diligence, the Executive Committee shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that does not have a conflict of interest or is not a Related Party.

- c. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Executive Committee shall determine by a majority vote of the disinterested Committee members present at a meeting at which a quorum is present, whether the transaction or arrangement is in the best interest of the Association and whether it is fair and reasonable. If the proposed transaction or arrangement is found to be in the best interest of the Association and fair and reasonable to the Association, the Executive Committee shall make its decision as to whether the Association shall enter into the transaction or arrangement.

5. Violations of the Conflict of Interest Policy

- a. If a member of the Association has reasonable cause to believe a Director, Officer or Key Employee has failed to disclose an actual or possible conflict of interest or a Related Party Transaction, such member shall inform the Recording Secretary of the Association of the basis for such belief and the Recording Secretary shall contact the member involved with the potential conflict or Related Party Transaction who shall be afforded an opportunity to explain to the Recording Secretary the alleged failure to disclose who shall inform the President.
- b. If, after hearing the member's response and after making further investigation as deemed warranted by the President in her discretion under the circumstances, the President believes in good faith that such member has failed to disclose, she shall bring the matter to the Executive Committee for appropriate corrective action.

Article V

Records of Proceedings

The report of the Executive Committee to the Board of Directors shall contain:

- a. The names of the persons who disclosed an actual or possible conflict of interest or a Related Party Transaction and the nature of the conflict or brief description of the transaction.
- b. With respect to a conflict of interest disclosure, any action taken to determine whether a conflict of interest was present and the Executive Committee's decision as to whether a conflict of interest in fact existed.
- c. With respect to a Related Party Transaction, (i) any alternatives to the proposed transaction or arrangement, and, (ii) if no reasonable alternative to the proposed transaction or arrangement without such conflict is available, the determination of the Executive Committee as to whether the proposed transaction or arrangement is fair to the Association and whether it is in the best interest of the Association.
- d. The resolution of the conflict and/or Related Party Transaction made by the Executive Committee.

Article VI

Proscribed Activity by Persons Involved in Conflicts or Related Party Transactions

When an individual Director, Officer or Key Employee believes that he or she or a Relative of such person might have or does have an actual or possible conflict, or is involved in a Related Party Transaction that individual shall, in addition to filing the disclosure notice required under this policy, abstain from making motions, voting, executing agreements, or taking any other similar direct action on behalf of the Association to which the conflict or transaction may relate.