

NEW YORK-NEW JERSEY TRAIL CONFERENCE

Conflict of Interest Policy

Approved by Board of Directors on December 2, 2014

I. Purpose:

Directors, officers and employees of the New York-New Jersey Trail Conference are in a position of trust which requires that in matters involving the Trail Conference they must not act in their personal interests or in the interests of others, but rather solely in the interests of the Trail Conference. Such individuals may not use their relationships with the Trail Conference, or its property, plans or any non-public information they acquire through or about the Trail Conference in a manner that enables them to secure a pecuniary benefit for themselves, a relative or a Related Party (see Definitions).

II. Definitions:

"Conflict of Interest" means any existing or pending situation, circumstance or state of affairs in which an individual is or would be in a position to approve or influence Trail Conference policies or actions which: (1) involve or affect personal interests or financial interests of the individual that may be inconsistent with, or divergent from, the interests of the Trail Conference; or (2) could ultimately harm or benefit financially: (a) the individual; (b) any Relative of such individual; or (c) any entity in which any individual described in clause (a) or (b) of this definition has a five (5%) percent or greater ownership or beneficial interest, with respect to which any such individual serves as a director or officer, or over whose activities or decisions any such individual has the ability to exercise control. Without limiting the foregoing, any interest in a Related Party Transaction shall constitute a Conflict of Interest.

"Financial Interest" means any instance in which a person has directly or indirectly, through business, investment or a Relative: (1) an actual or potential ownership or investment interest in any entity with which the Trail Conference has, or may reasonably be expected to have, a transaction or arrangement; or (2) an actual or potential Compensation arrangement with the Trail Conference or with any entity or individual with which the Trail Conference has, or may reasonably be expected to have, a transaction or arrangement.

"Key Employee" means any person who is in a position to exercise substantial influence over the affairs of the Trail Conference, as referenced in 26 U.S.C. §4958(f)(1)(A) and as further specified in 26 CFR §53.4958-3(c), (d) and (f), or succeeding provisions, as now in effect and as hereafter amended.

"Related Party" A Related Party includes: (1) any director, officer, or Key Employee of the Trail Conference; (2) any Relative of any director, officer, or Key Employee of the Trail Conference; or (3) any entity in which any individual described in clause (1) or (2) of this definition has a thirty-five (35%) percent or greater ownership or beneficial interest in or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five (5%) percent.

"Related Party Transaction" includes any transaction, agreement or any other arrangement in which a Related Party has a personal, professional or Financial Interest and in which the Trail Conference is a participant.

"Relative" of an individual means his or her spouse, domestic partner (as defined in Section 2994-a of the Public Health Law), ancestors, brothers, sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren and great-grandchildren.

III. Disclosure of Conflicts:

Prior to the initial election or appointment of any director, officer or Key Employee, and annually thereafter, such individual shall be required to complete, sign and deliver to the Secretary of the Trail Conference a written statement identifying, to the best of the signatory's knowledge, any Conflict of Interest of such individual, and any Related Party matter in which the signatory has an interest. Each director, officer and Key Employee also shall submit annually to the Secretary a written statement updating his or her initial statement or previous annual statement.

In addition, a director, officer or Key Employee shall submit to the Secretary a written statement disclosing any Conflict of Interest that may arise between annual updates. Such disclosure shall be made before such director, officer or key employee votes upon or takes on behalf of the Trail Conference any further action in furtherance of the disclosed transaction. The Secretary shall provide copies of all such initial, annual and interim statements to the Board Chair and to the Audit Committee Chair. The interested director, officer or Key Employee shall thereafter refrain from participating in all deliberations and voting relating to the matter, provided, that prior to the commencement of such deliberations or voting the interested director, officer or key employee may provide information about the Conflict of Interest when asked to do so.

IV. Required Affirmations:

Each director, officer and Key Employee shall annually sign an affirmation stating that the signatory:

- (a) Has received a copy of this Policy,
- (b) Has read and understands this Policy,
- (c) Agrees to comply with this Policy (including making disclosure of any Conflict of Interest not previously disclosed) prior to Board action on any matter affected by or related to the Conflict, and
- (d) To the best of the signatory's knowledge, the disclosures made in the affirmation are true and correct.

Directors shall submit their signed affirmations to the Secretary, who shall forward copies thereof to the Board Chair. Officers and Key Employees shall submit their signed affirmations to the Executive Director or his designee.

The required content of such affirmations, and of the disclosure statements described in Section III above, are subject to such modification as the Board Chair, upon the advice of the Audit Committee Chair and Counsel to the Board, shall deem appropriate.

V. Review and Approval of Conflicts:

Following receipt of information concerning a contract, transaction or relationship involving a Conflict of Interest, the Audit Committee shall perform a preliminary review of the matter and transmit its recommendations to the Board of Directors. After considering such recommendations and performing its own review of all material facts, the Board shall determine whether the proposed contract, transaction or relationship is fair, reasonable and in the best interest of the Trail Conference. On the basis of such determination, the proposed

contract, transaction or relationship shall be approved, approved with modifications or disapproved. Any such contract, transaction or relationship that is approved in whole or in part without complying with the procedure set forth in this Section V shall be void.

The existence and resolution of any reported Conflict of Interest shall be documented in the appropriate Trail Conference records, including in the minutes of any meeting at which the Conflict of Interest was discussed and voted upon.

The director, officer or Key Employee whose Conflict of Interest is under review shall not be present at, or participate in, deliberations or decisions relating to the matter, or attempt to improperly influence any deliberations or voting regarding the matter.

VI. Related Party Transactions:

The Trail Conference shall not enter into any Related Party Transaction except as permitted below in this Section. Any director, officer or Key Employee who has or proposes to acquire any interest in a Related Party Transaction shall disclose to the Board and the Audit Committee, in good faith, all material facts related to such interest. The Audit Committee shall perform a preliminary review of the matter and transmit its recommendations to the Board of Directors. The Board shall review all the material facts related to the proposed Related Party Transaction and request any additional information that it deems necessary to complete such review. Before the Trail Conference or any director, officer or Key Employee enters into the proposed Related Party Transaction, the Board shall consider transactions alternative to the proposed transaction to the extent that any alternative transactions are available. Following its review of the proposed Related Party Transaction and any available alternative transactions, if a majority of disinterested members of the Board present at a meeting of the Board determines that the proposed Related Party Transaction is fair, reasonable and in the best interests of the Trail Conference, then by a vote of such majority the Board may approve the proposed Related Party Transaction. In the minutes of the meeting at which such determination and approval occur, the Board shall document the basis for its determination that the proposed Related Party Transaction is fair, reasonable and in the best interests of the Trail Conference, and shall describe any alternative transactions that were considered.

The Trail Conference shall not enter into a Related Party Transaction unless it is approved in accordance with this Policy.

At the time of any deliberation or decision by the Board concerning the authorization of a proposed Related Party Transaction, the interested director, officer or Key Employee shall not be present at the meeting, and such director, officer or Key Employee shall not attempt to improperly influence any deliberations or voting regarding the Related Party Transaction; provided, that the Board may request the interested director, officer or Key Employee to provide information regarding the Related Party Transaction prior to the commencement of deliberations or voting thereon. Any Related Party Transaction that is approved without complying with the procedure set forth in this Section VI shall be voidable.