



Conflict of Interest Policy

Adopted May 9, 2011

This Conflict of Interest Policy governs the activities of the board and staff of Waterman's Community Center (WCC). Questions about the policy should be directed to the Executive Director or the President of the Board. All board members and staff must be aware of this policy and identify conflicts of interest, as well as situations that may result in the appearance of a conflict of interest and disclose those conflicts and situations to the Executive Director or President, as appropriate.

What is a conflict of interest? It includes transactions where a trustee, officer or employee, or their parent, spouse or child, has:

- A direct financial interest;
- An indirect financial interest, defined as transactions in which:
 - Another entity in which the trustee, officer or employee, or his/her parent, spouse or child, has a material interest, is a party to the transaction; or
 - Another entity of which the trustee, officer or employee is a director, officer, general partner or trustee is a party to the transaction;

provided that, to reflect life on this small island community:

- Indirect conflicts of interest shall not include transactions with the North Haven Community School where a spouse or child of a trustee, officer or employee is employed by North Haven Community School, or a trustee is on the North Haven School Board; and
- Conflicts of interest shall not include transactions in the ordinary course of WCC business between it and trustees, officers or employees (e.g., purchase of tickets) on terms no better than offered to third parties.

All board members, officers and employees must:

- Avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of WCC;
- Disclose conflicts of interest or apparent conflicts of interest to the Executive Director or the President, as appropriate.
- Refrain from voting or making a decision on behalf of WCC on any transactions in which they have a conflict of interest, and, if so, directed by the Executive Director or the President, from transactions in which they have an appearance of a conflict; and
- Comply with Section 2 of the Bylaws, a copy of which is attached, which shall control over this policy to the extent inconsistent.

This policy shall be circulated annually to all board members, officers and permanent employees, together with the attached Conflict Disclosure Form. All board members, officers and permanent employees shall complete and return the form annually.

Excerpted from WCC Bylaws:

Article VIII: Public Benefit Corporation Provisions. Section 2. Conflict-of-interest transactions.

A. This section sets forth the Corporation's policies on conflict of interest transactions. This section is intended to ensure that the Corporation is in compliance with the provisions of 13-B M.R.S.A. § 718. A conflict-of-interest transaction is a transaction in which a Trustee or officer of the Corporation has a direct or indirect financial interest. For the purposes of this section, a Trustee or officer has an indirect interest in a transaction if:

(1) Another entity in which the Trustee or officer has a material interest or in which the Trustee or officer is a general partner is a party to the transaction; or

(2) Another entity of which the Trustee or officer is a director, officer or trustee is a party to the transaction.

B. A conflict-of-interest transaction is not voidable or grounds for imposing liability on a Trustee or officer of the Corporation if the transaction was fair at the time it was entered into or is approved as provided in section C below.

C. A transaction in which a Trustee or officer of the Corporation has a conflict of interest may be approved before or after consummation of the transaction as follows.

(1) The board or a committee of the board may authorize, approve or ratify a transaction under this section if the material facts of the transaction and the Trustee's or officer's interest are disclosed or known to the board or committee of the board. The transaction may be approved only if it is fair and equitable to the corporation as of the date the transaction is authorized, approved or ratified. The party asserting fairness of any such transaction has the burden of establishing fairness.

(2) If the board so requests, a transaction under this section may be approved by the Attorney General or by the Superior Court in an action in which the Attorney General is joined as a party. If the board is unable to make a decision regarding a transaction, one or more Trustees or officers may request approval of the Attorney General or the court in accordance with this subsection. The transaction may be approved only if it is fair and equitable to the corporation as of the date the transaction is authorized, approved or ratified. The party asserting fairness of any such transaction has the burden of establishing fairness.

D. For purposes of section C, a conflict-of-interest transaction is approved if it receives the affirmative vote of a majority of the Trustees on the board or on a committee of the board who have no direct or indirect interest in the transaction, but a transaction may not be approved under this subsection by a single director. If a majority of the Trustees on the board who have no direct or indirect interest in the transaction vote to approve the transaction, a quorum is present for the purpose of taking action under this section.

E. Notwithstanding the foregoing, the Board of Trustees or the executive committee of the board of Trustees has authority to fix the compensation of Trustees for their services as Trustees or officers or in any other capacity.

**Waterman's Community Center
Conflicts Disclosure Form**

Date: _____

Name: _____

Position: _____

Do you have any relationships, transactions, positions you hold, or circumstances which you believe could contribute to a conflict of interest between WCC and your personal interests, financial or otherwise?

None.

Yes. Please be aware of the following:

I certify that the above information is correct to the best of my knowledge, and that I have reviewed the WCC Conflicts Policy and will abide by it.
