

Weston News, Inc.
CONFLICT OF INTEREST POLICY

Article I:
Purpose

The purpose of this conflict of interest policy is to establish the procedures applicable to the identification and resolution of conflicts of interest in the context of transactions or arrangements entered into by Weston News, Inc. where an Interested Person (defined below) may have a Financial Interest (defined below) in or Fiduciary Responsibility (as defined below) towards an individual or entity with which Weston News, Inc. is negotiating a transaction or arrangement. The determination that a conflict of interest exists does not prohibit Weston News, Inc. from entering into the proposed transaction or arrangement provided that the procedures set forth in Article III below are followed. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

Article II:
Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has either (a) a direct or indirect Financial interest, as defined below ("Financial Interest"); or (b) a Fiduciary responsibility to another organization, as defined below ("Fiduciary Responsibility"), is an interested person.

2. Financial Interest

A person has a Financial interest if the person has, directly or indirectly, through business, investment, or family (which are spouse, children and step children, and other relatives living with such person):

- a. an ownership or investment interest in any entity with which Weston News, Inc. has a transaction or arrangement (including but not limited to grants); or
- b. a compensation arrangement with Weston News, Inc. or with any entity or individual with which Weston News, Inc. has a transaction or arrangement (including but not limited to grants); or
- c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which Weston News, Inc. is negotiating a transaction or arrangement (including but not limited to grants); or
- d. Other than an arm's-length relationship with which prospective or actual grantees relative to the design of specific projects, preparation of specific proposals and review and oversight of funded projects, and Weston News, Inc. related activities.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. Gifts and favors include any gratuitous service, loan, discount, money or article of value, but does not include loans from any Financial institution on customary terms, articles of nominal value ordinarily used for sales promotion, ordinary “business lunches” or reasonable entertainment consistent with local social or business customs.

A Financial Interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a Financial Interest may have a conflict of interest if the governing board or appropriate committee decides that a conflict of interest exists.

3. Fiduciary Responsibility

A person has a Fiduciary Responsibility towards an organization or individual if he or she:

- a. Occupies a position of special confidence towards such organization or individual;
- b. Hold in trust property which another person has the beneficial title of interest, or who receives and controls the income of another; or
- c. Has a duty of loyalty or duty of care to an organization (by virtue of serving as an officer or director of an organization or other position with similar responsibilities). A duty of loyalty requires the person to refrain from dealing with the organization on behalf of a party having an interest adverse to the organization and refrain from competing with the organization. A duty of care requires the person to discharge his or her duties in good faith and in a manner he or she reasonably believes to be in the best interests of the organization.

A Fiduciary Responsibility is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a Fiduciary Responsibility may have a conflict of interest only if the board or appropriate committee decides that a conflict of interest exists.

Article III: Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence and nature of his or her Financial Interest of Fiduciary Responsibility and be given the opportunity to disclose all material facts to the directors and members of committees with board-delegated powers considering the proposed transaction or arrangements.

2. Recusal of Self

Any director may recuse himself or herself at any time from involvement in a decision or discussion in which the director believes he or she has or may have a conflict of

interest, without going through the process for determining whether a conflict of interest exists.

3. Determining Whether a Conflict of Interest Exists

After disclosure of the Financial Interest or Fiduciary Responsibility and all material facts, and after any discussion with the interested person, he or she shall leave the board or committee meeting while the final determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

4. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a factual presentation at the board or committee meeting, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest. An interested person shall not actively participate in the discussion of, or vote on, the transaction or arrangement that results in the conflict of interest, either formally at a board or committee meeting or informally through contact with individual board or committee members. In addition, the interested person should not be counted in determining whether a quorum is present for the board or committee meeting at which the transaction or arrangement that results in the conflict of interest is to be voted on.
- b. The chair of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the board or committee shall determine whether Weston News, Inc. can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in Weston News, Inc. interest and for its own benefit and whether the transaction is fair and reasonable to Weston News, Inc. and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

5. Violations of the Conflicts of Interest Policy

- a. If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflict of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective actions.

Article IV:
Records of Proceedings

The minutes of the board and all committees with board-delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a Financial Interest or a Fiduciary Responsibility in connection with an actual or possible conflict of interest, the nature of the Financial Interest or Fiduciary Responsibility, and action taken to determine whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussion and votes relating to the transaction or arrangement, the names of the persons who recused themselves from such discussion and votes, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

Article V:
Compensation

A voting member of any committee with board-delegated powers whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Weston News, Inc. for services is precluded from voting on matters pertaining to that member's compensation.

- a. A voting member of the governing board who receives compensation, directly or indirectly, from Weston News, Inc. for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Weston News, Inc. for services is precluded from voting on matters pertaining to the members compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Weston News, Inc., either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI:
Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign an acknowledgement and disclosure form which affirms that such person:

- a. has received a copy of the conflict of interest policy,
- b. has read and understands the policy,
- c. has agreed to comply with the policy, and
- d. understands Weston News, Inc. is charitable and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII: Periodic Reviews

To ensure that Weston News, Inc. operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining.
- b. Whether any grants are made to disqualified persons, or otherwise result in an excess benefit transaction.
- c. Whether arrangements with other organizations conforms to Weston News, Inc. applicable written policies, are properly recorded, reflect reasonable investment or payments for goods and services, if any, further Weston News, Inc.'s charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII: Use of Outside Experts

In conducting the periodic reviews provided for in Article VII, Weston News, Inc. may, but need not, use outside advisors. If outside advisors are used, their use shall not relieve the governing board of its responsibility for ensuring that periodic reviews are conducted.

CONFLICT OF INTEREST ACKNOWLEDGEMENT/DISCLOSURE FORM FOR
Weston News, Inc.

Name: _____

Date: _____

Position: _____

- a. Are you a voting Director? ____ yes ____ no
- b. Are you an Officer? ____ yes ____ no
- c. If you are an Officer, which Officer Position do you hold: _____

I affirm the following:

- a. I have received a copy of **Weston News, Inc.** Conflict of Interest Policy. _____
(initial)
- b. I have read and understand the policy. _____ (initial)
- c. I agree to comply with the policy. _____ (initial)
- d. I understand that **Weston News, Inc.** is a charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of tax-exempt purposes. _____ (initial)

Disclosures:

- a. Do you have a Financial Interest (current or potential), including a compensation arrangement, as defined in the Conflict of Interest Policy with **Weston News, Inc.**? ____ yes ____ no
 - i. If yes, please describe it:

 - ii. If yes, has the Financial Interest been disclosed, as provided in the Conflict of Interest Policy? ____ yes ____ no
- b. Do you have a Fiduciary Responsibility (current or potential), including a compensation arrangement, as defined in the Conflict of Interest Policy with **Weston News, Inc.**? ____ yes ____ no
 - i. If yes, please describe it:

 - ii. If yes, has the Fiduciary Responsibility been disclosed, as provided in the Conflict of Interest Policy? ____ yes ____ no
- c. In the past, have you had a Financial Interest, including a compensation arrangement, as defined in the Conflict of Interest Policy with **Weston News, Inc.**? ____ yes ____ no
 - i. If yes, please describe it, including when (approximately):

 - ii. If yes, has the Financial Interest been disclosed, as provided in the Conflict of Interest Policy? ____ yes ____ no

d. In the past, have you had a Fiduciary Responsibility, including a compensation arrangement, as defined in the Conflict of Interest Policy with **Weston News, Inc.**

? ____ yes ____ no

i. If yes, please describe it, including when (approximately):

ii. If yes, has the Fiduciary Responsibility been disclosed, as provided in the Conflict of Interest Policy? ____ yes ____ no

Signature of Director _____ Date:
