

**Individual – Conflict of Interest, Compensation and Confidentiality Policy for Spanish Peaks
Alliance for Wildfire Protection Acknowledgment of Receipt and Acceptance Form –
Required by all Board of Directors, Advisory and Committee Members**

Section 1. Purpose

It is hereby understood that in a small community volunteer-based organization that most likely all the members know each other, work with each other or may be related to each other. In essence this corporation would not and could not exist if the close community did not pull together and help each other, however it is recommended wherever possible that full disclosure be practiced where there is not a compromise of HIPAA Laws, or other regulatory confidentialitys that are mandatory.

The purpose of this conflict-of-interest policy is to protect SPAWP's interest when it is contemplating entering a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions

Interested Person, any director, principal officer, or member of a committee with governing Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person. directly related and directly benefiting to or from a transaction made by the corporation.

1. Financial Interest A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,
 - b) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
 - c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.
2. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing Board of Directors or committee decides that a conflict of interest exists.

Section 3. Procedures

1. Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing Board of Directors delegated powers considering the proposed transaction or arrangement.
 - a) Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing Board of Directors or committee meeting while the

determination of a conflict of interest is discussed and voted upon. The remaining Board of Directors or committee members shall decide if a conflict of interest exists.

- b) Procedures for Addressing the Conflict of Interest^[1]_[SEP]
 - c) An interested person may make a presentation at the governing Board of Directors or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - d) The chairperson of the governing Board of Directors or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
2. After exercising due diligence, the governing Board of Directors or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 3. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter the transaction or arrangement.

Violations of the Conflicts of Interest Policy

1. If the governing Board of Directors or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts 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.
2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing Board of Directors or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings

The minutes of the governing Board of Directors and all committees with Board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing Board of Directors' or committee's decision as to whether a conflict of interest in fact existed.
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 with the proceedings.

Section 5. Compensation

1. A voting member of the governing Board of Directors who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6. Annual Statements

Each director, principal officer, and member of a committee with governing Board of Directors delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflicts of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy,
4. Understands the Organization is charitable and to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Confidentiality

Agrees to maintain confidentiality and respect in all interpersonal documents, conversations, emails, executive sessions until the Board deems the information to be made public or to other alliances.

Agrees shall not discuss or disclose information about the Corporation or its activities to any person or entity unless such information is already a matter of public knowledge, such person or entity has a need to know, or the disclosure of such information is in furtherance of the Corporation's purposes or can reasonably be expected to benefit the Corporation. Directors shall use discretion and good business judgment in discussing the affairs of the Corporation with third parties. Without limiting the foregoing, Directors may discuss upcoming fundraisers and the purposes and functions of the Corporation, including but not limited to accounts on deposit in financial institutions. Each director shall execute a confidentiality agreement consistent herewith.

Signed and accepted by: (Print Name) _____

X _____ Date: _____