

Conflict of Finance Interest Policy of The English-Speaking Union of the United States _____ Branch

Preamble. The Directors, Officers and staff members of The English-speaking Union of the United States (the “Corporation”) on both the National and the Branch levels owe a duty of loyalty to the Corporation, which requires that in their positions, they act in the best interests of the Corporation and not in their personal interests. Directors, Officers and staff members may not use their positions or information they have about the Corporation or the Corporation’s property or information obtained through their positions in a manner that allows them to secure improper economic benefit, either directly or indirectly, for themselves or their relatives. In sum, it is the policy of the Corporation that no transaction between it on either the National or Branch levels and its Directors, Officers or staff members be tainted with an actual or perceived conflict of interest. The _____ Branch LLC of the Corporation adopts the following statement of policy, which is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

A. Disclosure

- a. Annually all Directors and Officer shall disclose in writing, to the best of their knowledge, any Financial Interest (as defined below) which they may have in any corporation or other organization which provides to or receives from the Corporation goods or professional or other services or benefits for a fee or other compensation. A copy of each disclosure statement shall be available to any Director of the Corporation on request.
- b. If at any time during his or her term of service, an interest is created or is found to exist that constitutes a Financial Interest with respect to any Director or Officer, he or she shall promptly disclose the material facts of that Financial Interest in writing to the Branch President or to the Chair of the Corporation.
- c. If at any time, a Director of Officer becomes aware that any matter in which he or she has a Financial Interest is or has been before the Board or any committee of the Board for a decision or approval, that Director or Officer shall immediately disclose to the Board or to that Committee the material facts of that Financial Interest. All matters disclosed pursuant to these provisions shall be subject to a Financial Interest review and a vote of the Board, as described in Paragraph G, below.

A. Periodic Review

- a. To ensure that the Corporation is in compliance with this conflict of interest policy, if a Financial Interest is at any time found to exist, and if the Financial Interest was not specifically recognized and considered in accordance with the requirements of this policy at the time the

transaction or matter was approved, then the matter will be reviewed in accordance with Paragraph G hereinafter.

B. Definition of “Financial Interest”

- a. A “Financial Interest” exists when a Director or Officer or staff member or any member of his or her family (“Interested Person”) will or might obtain, directly or indirectly, an economic benefit (in the form of compensation, benefits, gifts or favors) as a result of or in connection with any contract or transaction between the Corporation and the Interested Person, or between the Corporation and any corporation, partnership, or other organization (“Entity”) with which the Interested Person is associated. A person is associated with an Entity if he or she has an ownership relationship or contractual relationship with the Entity. A Financial Interest is not intended to include position on legislative matters of general impact.

C. Voting

- a. No Director shall vote on any matter in which he or she has a Financial Interest.

D. Non-Participation

- a. A Director or Officer who has a Financial Interest in a matter, after having had the opportunity to make a statement and answer questions on the matter, shall be excused from the board or committee meeting for the duration of the discussion and vote, if any, regarding that matter.

E. Attempts to Influence

- a. Directors and Officers shall not attempt to influence other Directors or Officers regarding matters in which they have a Financial Interest without first disclosing that Interest.

F. Financial Interest Review

- a. In any instance in which a significant contract or transaction with an Interested Person or an Entity with which such person is associated is or has been brought to the attention of the Branch President for action, the President shall refer it to the Finance and Governance Committee to review the contract or transaction which gives rise to the potential conflict and to report to the Board their determination as to whether a Financial Interest exists and, if so, whether the proposed contract or transaction is fair, reasonable and in the best interest of the Corporation.

The Board shall then decide the matter. In reaching its decision, the Board shall determine whether a Financial Interest exists, and, if so, whether the proposed contract or transaction is fair, reasonable and in the best interests of the Corporation. All actions regarding Financial Interest transactions shall be recorded in the minutes of the Board and or the Board committee.

G. Staff

- a. Rules and procedures consistent with the rules and procedures outlined above for Directors and Officers must be adapted and must apply to all staff of the Branch.