

CONFLICT OF INTEREST POLICY
OF
WESTHILL BOOSTER CLUB, INC.

1. **Purpose.** The purpose of the conflict of interest policy (the “**Policy**”) is to protect **WESTHILL BOOSTER CLUB, INC.**’s (the “**Corporation**”) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Interested Person, as defined in Section 2(e) of this Policy. This Policy is intended to supplement but not replace any applicable laws of the State of New York governing conflicts of interest applicable to nonprofit and charitable corporations.

2. **Definitions.**

The defined terms used in this Policy (as indicated by the first letter of each word in the term being capitalized) shall, unless the context clearly requires otherwise, have the meanings specified in this Section 2.

(a) ***Affiliate.*** Any entity controlled by, in control of, or under common control with the Corporation.

(b) ***Compensation.*** Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

(c) ***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 or Affiliate has a transaction or arrangement; (b) a compensation arrangement with the Corporation or Affiliate or with any entity or individual with which the Corporation or Affiliate 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 or Affiliate is negotiating a transaction or arrangement.

A Financial Interest is not necessarily a conflict of interest. Under Section 4 hereof, a person who has a Financial Interest may have a conflict of interest only if the appropriate Board, as defined in Section 2(e) hereof, or committee decides that a conflict of interest exists.

(d) ***Independent Director.*** A director who (i) is not and has not been within the last three (3) years, an employee of the Corporation or an Affiliate of the Corporation, and does not have a Relative, as defined in Section 2(i) hereof, who is, or has been within the last three (3) years, a Key Employee, as defined in Section 2(f) hereof, of the

Corporation of an Affiliate of the Corporation; (ii) has not received, and does not have a Relative who has received, in any of the last three (3) fiscal years, more than ten thousand dollars (\$10,000) in direct compensation from the Corporation or an Affiliate of the Corporation (other than reimbursement for expenses reasonably incurred as a director or reasonable compensation for service as a director as permitted under the Not-For-Profit Corporation Law; and (iii) is not a current employee of or does not have a substantial Financial Interest in any entity that has made payments to, or received payments from, the Corporation or an Affiliate of the Corporation for property or services in an amount which, in any of the last three (3) fiscal years, exceeds the lesser of twenty-five thousand dollars (\$25,000) or two percent (2%) of such entity's consolidated gross revenues. 'Payment' as defined in this subsection does not include charitable contributions.

(e) **Interested Person.** An Interested Person is any director, officer, member of a committee with powers delegated by the Board of Directors (the "**Board**"), Key Employee or Related Party, who could receive an advantage or gain, or who has a direct or indirect interest, including Financial Interest, or any other interest that may result in impartiality on the part of the Interested Person, in matters to be voted upon.

(f) **Key Employee.** Any person who is in a position to exercise substantial influence over the affairs of the Corporation.

(g) **Related Party.** (i) Any director, officer or Key Employee of the Corporation or any Affiliate of the Corporation; (ii) any Relative of any director, officer or Key Employee of the Corporation or any Affiliate of the Corporation; or (iii) any entity in which any individual described in (i) or (ii) of this Section 2(g) has a thirty-five percent (35%) or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five percent (5%).

(h) **Related Party Transaction.** Any transaction, agreement or any other arrangement in which a Related Party has a Financial Interest and in which the Corporation or any Affiliate is a participant.

(i) **Relative.** (i) Spouse, ancestors, brothers and sisters (whether half-blood or whole), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren, and great-grandchildren; or (ii) domestic partner as defined in Section 2994-A of the Public Health Law.

3. Duty to Disclose; Procedures. In connection with any actual or potential conflicts of interest, an Interested Person must disclose the existence of the actual or potential conflict of interest or any interest, including Financial Interest, and must also disclose all material facts to the Board and members of committees with board delegated powers considering the proposed transaction or arrangement.

Prior to the election of any director, and annually thereafter, such director shall

complete, sign and submit to the secretary of the Corporation a written statement identifying, to the best of the director's knowledge, any entity of which such director is an officer, director, trustee, member, owner (with or as a sole proprietor or a partner), or employee and with which the Corporation has a relationship, and any transaction in which the Corporation is a participant and in which the director might have a conflicting interest. The secretary thereafter shall provide a copy of all the completed written statements by all the directors to the chair of the audit committee, or if there is no audit committee, to the chair of the Board.

4. Determining Whether a Conflict of Interest Exists. After disclosure of the actual or potential conflict of interest or any interest, including Financial Interest, and all material facts thereof, and after any discussion with the Interested Person, he/she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The Independent Directors of the audit committee, if such exists, or the remaining Independent Directors of the Board shall decide if a conflict of interest exists. The Independent Directors of the Board shall also consider any Related Party Transactions that may be potential or actual conflicts of interest.

5. Existence of Conflict of Interest. If determined that a conflict exists by Independent Directors of the Board: (a) the Interested Person shall not be present at or participate in Board or committee deliberations or vote on the matter giving rise to such conflict and (b) the Interested Person shall not make any attempt to improperly influence the deliberations or voting on the matter giving rise to such conflict.

6. Procedures for Addressing the Conflict of Interest.

(a) At a Board or committee meeting, the Board may consider information and respond to questions prior to deliberations or voting where an Interested Person may make a presentation. After such presentation, the Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.

(b) The Board or committee shall determine whether the transaction or arrangement that results in an actual or potential conflict of interest is in the best interest of the Corporation and that the transaction or arrangement is fair and reasonable.

(c) The chair of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate reasonable alternatives to the proposed transaction or arrangement.

(d) After exercising due diligence, the Board or committee shall determine whether the Corporation 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. The Board or committee shall document its discussion of any reasonable alternatives.

(e) 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 or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall make its decision regarding whether to enter into the transaction or arrangement in conformity with such determination.

7. 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 an actual or potential 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 action, as determined by the Board in its sole discretion.

8. Records of Proceedings. The minutes of the Board and all committees with board delegated powers shall contain the following:

(a) The names of the persons who disclosed or otherwise were found to have conflict of interest or any interest, including Financial Interest, the nature of the conflict of interest or any interest, including Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board or committee's decision regarding whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussion and vote 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 therewith.

9. Compensation Committees.

(a) 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 or participating in matters pertaining to that member's Compensation. However, upon request of the Board or Committee, the individual may present information to the Board or Committee prior to the commencement of deliberations or voting related thereto.

(b) Individuals who receive compensation, directly or indirectly, from the

Corporation, whether as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes Compensation matters. No individual, either individually or collectively, is prohibited from providing information to any committee regarding Compensation.

10. Annual Statements. Each director, officer and member of a committee with board delegated powers shall prior to initial election, and annually thereafter, sign a statement which affirms that such person: (a) has received a copy of the conflicts of interest policy (and whistleblower policy [if applicable]); (b) has read and understands the policy; (c) has agreed to comply with the policy; and (d) understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

11. Periodic Reviews. To ensure that the Corporation 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 determine as follows:

(a) whether Compensation arrangements and benefits are reasonable and are the result of arms-length bargaining.

(b) whether partnership and joint venture arrangements and arrangements with service organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Corporation's charitable purposes and do not result in inurement or impermissible private benefit.

12. Use of Outside Experts. In conducting the periodic reviews provided in Section 11 hereof, the Corporation may, but need not, use outside advisors. If outside experts are used such use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

ADOPTED: June 16, 2014