CTM Conflict of Interest Standing Rule

Adopted June 5, 2018

1. The standard of behavior at Clifton Town Meeting (CTM) is that all Trustees board members and committee members scrupulously avoid any conflict of interest between the interests of CTM and the Clifton community on the one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as perceived conflicts of interest that include either divided loyalty or financial interests.
2. 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 CTM has a transaction or arrangement,
    b. a compensation arrangement with CTM or any entity or individual with which CTM has a transaction or arrangement, or
    c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which CTM is negotiating a transaction or arrangement.
3. Divided Loyalty occurs when in the judgment of the CTM Board of Trustees:
    a. The outside fiduciary responsibility or activities of a Trustee, officer, employee, or volunteer interfere or compete with CTM's interests.
    b. The stake of a Trustee, officer, employee, or volunteer in a transaction or arrangement is such that it reduces the likelihood that such person's influence can be exercised impartially in the best interests of CTM.
4. The purposes of this policy are: to protect the integrity of CTM's decision-making process, to enable the community to have confidence in CTM, our Trustees' integrity, and to protect the integrity and reputation of CTM, its Trustees, and other volunteers. board members.
5. In the course of CTM meetings and activities and in the conduct of CTM business, trustees or and committee members will disclose any interests in a transaction or decision where they (including their business or other nonprofit affiliation), family and/or significant other, employer, or close associates will receive a substantial benefit or gain or suffer a loss. Further any Trustees with a financial conflict of interest or divided loyalty will recuse themselves from any vote on the question.
6. This policy is meant to be a supplement applicable laws governing non-profit organizations and community councils. Exercising to good judgment, and all Trustees and committee members will respect its spirit as well as its wording. Trustees or committee members unsure whether they have a conflict shall consult the Board or committee respectively or simply recuse themselves from the vote in question. In the

case of a committee, a member denied discussion and/or voting privileges may appeal to the Board.

7. The Board may deny the discussion and/or voting privilege of any Trustee whom it finds to have a conflict of interest by a majority of trustees voting via a secret ballot. The individual challenged is entitled to discuss the alleged conflict of interest before voting commences.

8. To make sure that each trustee is aware of CTM's conflict of interest policy, they all Trustees will be asked required to sign a copy of the policy Compliance Statement at the beginning of each year of their terms. No trustee shall be permitted to vote, attend Board meetings, or participate in the work of committees prior to signing the Statement.

9. Changes to this Conflict of Interest Standing Rule requires approval by a two-thirds vote of the membership of the Board. For example, if the Board consists of 15 members, 10 must vote in the affirmative to change the rule, regardless of the number of Trustees present or the abstentions.

CTM Conflict of Interest Compliance Statement

I am a Trustee of Clifton Town Meeting (CTM) and am subject to CTM's Conflict of Interest Policy. I affirm the following by initialing each statement:

- I have received a copy of the CTM Standing Rule. _____
- I have read and understand the Rule. _____
- I agree to comply with the Rule; and _____
- I understand that CTM is a non-profit organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax exempt purposes. _____

Signed: _____ Date: _____

Print Name: _____