



## Conflict of Interest Policy

This policy applies to board members and staff of Forge Evolution. Persons covered under this policy are hereinafter referred to as “interested parties.”

A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of the organization. There are a variety of situations which raise conflict of interest concerns including, but not limited to, the following:

Financial Interests – A conflict may exist where an interested party, or a relative or business associate of an interested party, directly or indirectly benefits or profits as a result of a decision made or transaction entered into by the organization. Examples include situations where:

- the organization contracts to purchase or lease goods, services, or properties from an interested party, or a relative, or business associate of an interested party;
- the organization purchases an ownership interest in or invests in a business entity owned by an interested party, or by a relative or business associate of an interested party;
- the organization offers employment to an interested party, or a relative, or business associate of an interested party, other than a person who is already employed by the organization;
- an interested party, or a relative or business associate of an interested party, is provided with a gift, gratuity or favor, of a substantial nature, from a person or entity which does business, or seeks to do business, with the organization;
- an interested party, or a relative or business associate of an interested party, is gratuitously provided use of the facilities, property, or services of the organization;

Other Interests – A conflict may also exist where an interested party, or a relative or business associate of an interested party, obtains a non-financial benefit or advantage that they would not have obtained absent their relationship with the

organization, or where their duty or responsibility owed to the organization conflicts with a duty or responsibility owed to some other organization. Examples include where:

- an interested party seeks to obtain preferential treatment by the organization for the individual, their relatives, or business associates;
- an interested party seeks to make use of confidential information obtained from the organization for their own benefit, or for the benefit of a relative, business associate, or other organization;
- an interested party seeks to take advantage of an opportunity, or enable a relative, business associate or other organization to take advantage of an opportunity, which they have reason to believe would be of interest to the organization;

An interested party is under a continuing obligation to disclose any actual or potential conflict of interest as soon as it is known, or reasonably should be known.

An interested party shall complete a questionnaire, in the form attached hereto, to fully and completely disclose the material facts about any actual or potential conflicts of interest. The disclosure statement shall be completed upon their association with the organization and shall be updated annually thereafter. An additional disclosure statement shall be filed at such time as an actual or potential conflict arises.

For board members, the disclosure statements shall be provided to the Executive Director.

In the case of staff or volunteers with significant decision-making authority, the disclosure statements shall be provided to the Executive Director of the organization, or in the case of the Executive Director's disclosure statement shall be provided to the Chair of the Board.

Whenever there is reason to believe that an actual or potential conflict of interest exists between Forge Evolution and an interested party, the Executive Director shall determine the appropriate organizational response. This shall include, but not necessarily be limited to, invoking the procedures described below, with respect to a specific proposed action or transaction.

Where the actual or potential conflict involves an interested party of the organization other than the Executive Director, the Executive Director shall, in the first instance, be responsible for reviewing the matter and may take appropriate action as necessary to protect the interests of the organization. The Executive Director shall report to the Vice Chair the results of any review and the action taken. The Vice Chair, in

consultation with the Governance Committee, shall determine if any further board review or action is required.

Where an actual or potential conflict exists between the interests of Forge Evolution and an interested party with respect to a specific proposed action or individual transaction, the proposed action or individual transaction shall be approved by the Executive Director, and provided to the Vice Chair for review, prior to execution. The following procedures shall apply:

- An interested party who has an actual or potential conflict of interest with respect to a proposed action or transaction of the corporation shall not participate in any way in, or be present during, the deliberations and decision making of the organization with respect to such action or transaction. The interested party may, upon request, be available to answer questions or provide material information about the action or transaction.
- The Executive Director may approve the proposed action or transaction upon finding that it is in the best interests of the organization. The Executive Director shall consider whether the terms of the proposed transaction are fair and reasonable to the organization and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a party or entity that is not an interested party.
- In the event of the Executive Director being an interested party, approval by the disinterested members of the Board of Directors shall be by vote of a majority of directors in attendance at a meeting.
- The minutes of the meeting shall reflect that the conflict disclosure was made, the vote taken and, where applicable, the abstention from voting and participation by the interested party.

If the Executive Director (for staff) or Vice Chair (for the Board of Directors) has reason to believe that an interested party has failed to disclose an actual or potential conflict of interest, they shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the interested party and making such further investigation as may be warranted in the circumstances, the Executive Director or Vice Chair determines that the interested party has in fact failed to disclose an actual or possible conflict of interest, they shall take appropriate disciplinary and corrective action, up to termination of position.

**Policy approved by the Forge Evolution Board of Directors on May 1, 2021.**

*I have received and carefully read the Conflict of Interest Policy for board members and staff members of Forge Evolution. By signing, I hereby agree to comply with the*

*Conflict of Interest Policy. I further understand that Forge Evolution 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.*

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Member signature

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Member name (please print)

Date