

The United States Naval Academy Alumni Association, Inc.
Conflicts of Interest Policy

The policy set forth in this statement is applicable to members of the Board of Trustees, Non-Trustee Committee Members, and Officers and staff members of the United States Naval Academy Alumni Association, Inc. (“Alumni Association”) collectively referred to as (“Covered Party” or “Covered Parties”)

I. PRINCIPLES

- The success of the Alumni Association is dependent upon the trust and confidence that we earn from the membership and the public at large.
- The Alumni Association gains credibility by being fair and impartial in the Association’s governance and by adhering to honest and transparent business practices.
- The Alumni Association will foster an environment in which Covered Parties are encouraged to seek guidance on ethical issues.
- The Alumni Association’s commitment to integrity begins with compliance with all local, state and federal laws and regulations, as well as this conflict of interest policy (“Policy”).

It is impossible to anticipate every question a Covered Party may have or every situation they may face. If a Covered Party has any questions about any situation, they should contact the Board Secretary of the Alumni Association Board of Trustees for clarifications.

II. CONFLICT OF INTEREST

A conflict of interest can arise whenever a Covered Party, or a member of his or her family: (1) has an existing or potential interest that impairs or might appear to impair his or her independent judgment in the discharge of responsibilities to the Alumni Association or (2) may receive a material benefit from knowledge of information that is confidential to the Alumni Association. The family of a Covered Party includes his or her spouse, parents, siblings, children and any others living in the same household.

Although not an exhaustive list, a conflict of interest may occur when a Covered Party is involved in a matter in which:

- (1) The Covered Party is personally or financially affected by a matter before the Board of Trustees, such that a reasonable person with knowledge of the relevant facts would question the Covered Party’s ability to properly perform his/her Alumni Association duties in an impartial manner;
- (2) The Covered Party is employed at a firm that does or is doing business with the Alumni Association.
- (3) The Covered Party is an owner, shareholder, officer, director, or trustee of a for-profit company that does business with the Alumni Association. Ownership interests derived from investments through mutual funds, pension plans, or other similarly diversified financial vehicles do not fall within the scope of this provision.
- (4) The Covered Party has an interest that could be substantially affected by the outcome of a matter before the Board;

- (5) The Covered Party has an official relationship with investment brokers with which the Alumni Association does business.
- (6) The Covered Party has an official relationship with suppliers of goods or services to the Alumni Association.
- (7) The Covered party has an official relationship with insurance agents or carriers doing business with the Alumni Association.
- (8) Family relationships with employees of the Alumni Association.

III. FIDUCIARY DUTY TO THE BOARD AND REMEDIES FOR CONFLICTS OF INTEREST

Covered Parties have a fiduciary obligation to the Alumni Association in connection with their service in such capacities. At all times they shall act in a manner consistent with this fiduciary obligation and shall exercise particular care that no detriment to the interest of the Alumni Association (or appearance of such detriment) may result from a conflict between those interest and any personal interest that the Covered Party may have.

When actual or potential conflicts of interest are identified by the Covered Party, the Board Secretary will advise the Covered Party in writing on the best course of action, including what remedies exist for the conflict. Possible remedies include:

- (1) Recusal: The Covered Party agrees either to forego or cease participation or involvement in any official act or activity related to the conflict.
- (2) Reassignment: Reassignment is the result of a recusal and is the reassignment of the Covered Party to another Committee or position not dealing with the subject matter, that caused the conflict.
- (3) Waiver: Notwithstanding the foregoing, the Board Secretary may authorize a Covered Party to participate in matters that may otherwise raise impartiality concerns where the conflict of interest is determined to be insubstantial such that it would not cause a reasonable person to question the Covered Party's ability to act impartially.
- (4) Divestiture: The Covered Party voluntarily sells or otherwise disposes of his or her interest in a financial asset causing the actual or perceived conflict.
- (5) Resignation: The Covered Party leaves his or her position in an outside organization that creates the conflict or leaves Board of Trustee or Alumni Association position.

In some cases, a Covered Party's reported interests do not require a remedy but still suggest the need for heightened attention and possible follow-up on the part of the Board Secretary. The Chairman of the Board of Trustees or President/CEO have the discretion to send the Covered Party an advisory letter in such cases, explaining the applicable rules and what steps the Covered Party must take to avoid a violation.

IV. CONFIDENTIALITY OF INFORMATION

Covered Parties shall not disclose any material nonpublic information with respect to the Alumni Association, its operations, finances, or internal matters. Additionally, Covered Parties shall not disclose any confidential information learned in the course of Alumni Association matters and activities. Do not disclose nonpublic information to anyone outside of the Alumni Association, including family and friends.

The Alumni Association has access to the personal information of alumni, including social security numbers, phone numbers, email addresses, and other personal information. It is crucial that such information be treated with the highest level of respect and privacy. The Alumni Association has been entrusted with this information with the implicit understanding that it remain strictly confidential. It is our duty to abide by that covenant. Covered Parties who have access to the personal data of alumni must always act in accordance with applicable law, including all privacy laws, act in accordance with this Policy by limiting access to said information to those having a legitimate Alumni Association purpose for seeing that information and to prevent any unauthorized disclosure.

All information concerning actual or potential conflicts of interest on the part of Covered Parties of the Alumni Association shall be held in confidence unless the best interests of the Alumni Association dictate otherwise. Any disclosure beyond the members of the Board of Trustees and the President of the Alumni Association shall take place only upon majority vote of the Board of Trustees.

V. ACKNOWLEDGEMENT OF POLICY

Each Covered Party shall be required to sign this Policy acknowledging that he or she has read, understands, and will adhere to the Policy. Each Covered Party of the Alumni Association shall complete, sign, and submit the Annual Conflict of Interest Statement (“Statement”) to the Secretary of the Board of Trustees setting forth any actual or potential conflicts of interest that may have occurred within the past twelve months or might be expected to occur within the following year. The Statement shall disclose as fully as possible the nature of the actual or potential conflicts and the nature of the Covered Party’s interest in the actual or potential conflicts, and all Statements that report actual or potential conflicts of interest shall be circulated to the Board Secretary of the Board of Trustees for review. Each Covered Party shall agree to answer any questions about actual or potential conflicts that the Board members may have.

Failure to read or sign this Policy or sign a acknowledgement form does not excuse a Covered Party from compliance with the Policy.

**The United States Naval Academy Alumni Association, Inc.
Conflict of Interest Acknowledgement Statement**

I, the undersigned, being a Trustee, Non-Trustee Committee Member, Officer, or Staff member of the United States Naval Academy Alumni Association, Inc., hereby state that to the best of my knowledge except as noted below:

- I do not have an official relationship as defined in the Policy on Conflicts of Interest with any corporation, partnership, or association that transacts business with the Alumni Association;
- I, as an individual, do not transact any business, directly or indirectly, with the Alumni Association, other than normal Association services (travel program, merchandise, etc.);
- No member of my family, as defined on page one of the Policy on Conflicts of Interest is in the employ of the Alumni Association or would come within the meaning of No. 1 or No. 2 above.

List below any potential or actual conflicts of interest that may exist at this time:

I agree that if any situations arise, of which I am aware, that in any way contradict the above statement, I will immediately notify the Secretary of the Board of Trustees of any conflict, real or potential, and make full disclosure thereof. I have read the document entitled The United States Naval Academy Alumni Association, Inc. Policy on Conflicts of Interest for Trustees and Officers adopted by the Board of Trustees.

I agree to answer any questions the Board may have with respect to any actual or potential conflict of interest, but I understand that all such information will be held in confidence by the members of the Board, unless the best interests of the Alumni Association dictate otherwise and a majority of the members of the Board of Trustees votes in favor of further disclosure.

Signature

Date

Print Name