

## **AMERICAN NUMISMATIC ASSOCIATION CONFLICTS OF INTEREST POLICY**

It is in the best interests of the American Numismatic Association to be aware of and properly manage all conflicts of interest and appearances of a conflict of interest. This conflict of interest policy is designed to help directors, officers and employees of the ANA identify situations that present potential conflicts of interest and to provide the ANA with a procedure to appropriately manage conflicts in accordance with legal requirements and the goals of accountability and transparency in the ANA's operations.

### **ARTICLE I - PURPOSE AND ADMINISTRATION**

Section 1.1 The purpose of the Conflicts of Interest Policy (the "COI Policy") is to ensure that the deliberations and decisions of the American Numismatic Association (ANA) are made in the interests of the ANA community as a whole and to protect the interests of the ANA when the ANA is contemplating entering into a transaction, contract, or arrangement that might benefit the private interest of a Covered Person. (Certain Capitalized Terms used in this COI Policy shall have the meanings set forth in Article VII of this COI Policy.)

Section 1.2 A Covered Person may not use his or her position with respect to the ANA, or confidential corporate information obtained by him or her relating to the ANA, in order to achieve a financial benefit for himself or herself or for a third person, including another nonprofit or charitable organization.

Section 1.3 This COI Policy is intended to supplement but not to replace any applicable laws governing conflicts of interest in nonprofit and charitable corporations.

Section 1.4 The Executive Committee shall administer and monitor compliance with the COI Policy.

### **ARTICLE II - PROCEDURES REGARDING CONFLICTS OF INTEREST**

Section 2.1 Duty to Disclose.

(a) In connection with any proposed transaction, contract, or arrangement being considered by the ANA, a Covered Person shall promptly disclose to the Executive Committee the existence of any Potential Conflicts that may give rise to a Conflict of Interest with respect to the proposed transaction, contract, or arrangement.

(b) The disclosure to the Executive Committee of a Potential Conflict shall be made pursuant to such procedures as the Executive Committee may establish from time to time. The Covered Person making such disclosure is referred to herein as an Interested Person.

Section 2.2 Determining Whether a Conflict of Interest Exists.

(a) After disclosure of a Potential Conflict by an Interested Person, the Executive Committee shall have a discussion with the Interested Person regarding the

material facts with respect to the Potential Conflict.

(b) Thereafter, in the absence of the Interested Person, Disinterested members of the Executive Committee shall determine whether or not the circumstances disclosed by the Interested Person regarding the Potential Conflict constitute a Conflict of Interest, and, subject to a contrary finding by the Disinterested Board members, the determination by the Disinterested members in this regard is conclusive and may not be challenged by the Interested Person. If the Interested Person is a Governor, such determination shall be reported to the Disinterested Board members at the next Board meeting and shall be subject to Board ratification.

### Section 2.3 Procedures for Addressing a Conflict of Interest.

(a) If the Executive Committee determines that a Conflict of Interest exists, the Conflicted Person may make a presentation to the Executive Committee regarding the transaction, contract, or arrangement. After any such presentation, the Conflicted Person shall leave the meeting and shall not be present during any discussion of the Conflict of Interest.

(b) The Chair of the Executive Committee shall, if appropriate, appoint a Disinterested person or committee to investigate alternatives to the proposed transaction, contract, or arrangement. If the Conflicted Person is a Board member, the findings shall be reported to the Board.

(c) After exercising due diligence, the Executive Committee shall determine whether the ANA can obtain with reasonable efforts a more advantageous transaction, contract, or arrangement in a manner that would not give rise to a Conflict of Interest. If the Conflicted person is a Board member, such determination shall be reported to the Board.

(d) If a more advantageous transaction, contract, or arrangement is not reasonably possible under circumstances not producing a Conflict of Interest, the Executive Committee, and where the Conflicted Person is a Board member, the Board, shall determine by a majority vote of the Disinterested members present whether the transaction, contract, or arrangement is in the ANA's best interest, for the ANA's benefit, and whether it is fair and reasonable to the ANA. In conformity with those determinations, the Executive Committee or the Board, as applicable, shall make its decision as to whether the ANA should enter into the transaction, contract or arrangement.

(e) Any determination by the Executive Committee with regard to any Conflict of Interest is subject to review, modification and/or confirmation by a majority vote of the Disinterested members of the Board of Governors.

### Section 2.4. Duty to Abstain

(a) No Governor shall vote on any matter in which he or she has a material Financial Interest that will be affected by the outcome of the vote.

(b) In the event of such an abstention, the abstaining Governor shall state the reason for the abstention, which shall be noted in the notes of the meeting in which the abstention occurred.

(c) No Governor shall participate in Committee or Board deliberations on any matter in which he or she has a material Financial Interest without first disclosing the conflict and until a majority of Disinterested Committee or Board members present agree on whether and in what manner the Board member may participate.

Section 2.5 Violations of the Conflicts of Interest Policy. If the Executive Committee has reasonable cause to believe a Covered Person has failed to disclose an actual or Potential Conflict of Interest, the Executive Committee shall inform the Covered Person, and initiate the procedures described in Section 2.2 and 2.3.

### **ARTICLE III- RECORDS OF PROCEEDINGS**

Section 3.1 The written or electronic records of the Board and the Executive Committee relating to Conflicts of Interest shall contain:

(a) The names of Covered Persons who disclosed or otherwise were found to have a Potential Conflict in connection with a proposed transaction, contract, or arrangement;

(b) The nature of the Potential Conflict;

(c) Any action taken to determine whether a Conflict of Interest was present;

(d) The Board's or Executive Committee's, as applicable, decision as to whether a Conflict of Interest in fact existed;

(e) The names of the persons who were present for discussions and votes relating to the transaction, contract, or arrangement;

(f) The content of the discussion, including any alternatives to the proposed transaction, contract, or arrangement; and

(g) A record of any votes taken in connection therewith.

### **ARTICLE IV - COMPENSATION**

Section 4.1 A Covered Person who receives Compensation, directly or indirectly, from the ANA for services may not vote on matters pertaining to the Covered Person's Compensation.

Section 4.2 A Covered Person may not vote on matters pertaining to Compensation received, directly or indirectly from the ANA by a member of the Covered Person's Family or by an individual with whom a Covered Person has a close personal relationship, including, but not limited to, any relationship other than kinship, spousal or spousal

equivalent that establishes a significant personal bond between the Covered Person and such other individual that in the judgment of the Executive Committee could impair the Covered Person's ability to act fairly and independently and in a manner that furthers, or is not opposed to, the best interests of the ANA.

Section 4.3 No Covered Person who receives Compensation, directly or indirectly, from the ANA, either individually or collectively, is prohibited from providing information to the Board or to any Committee regarding the Covered Person's Compensation.

## **ARTICLE V - ANNUAL STATEMENTS**

Section 5.1 Each Covered Person shall annually sign a statement which affirms such Covered Person: (i) has received a copy of the COI Policy; (ii) has read and understands the COI Policy; (iii) has agreed to comply with the COI Policy; and (iv) understands the ANA is a tax-exempt organization described in § 501(c)(3) of the Internal Revenue Code and that in order to maintain its federal tax exemption, the ANA must engage primarily in activities which accomplish one or more of the ANA's tax-exempt purposes.

## **ARTICLE VI - PERIODIC REVIEWS**

Section 6.1 To ensure the ANA operates in a manner consistent with its tax-exempt purposes and does not engage in Conflicts of Interest and/or activities that could jeopardize its tax-exempt status, the ANA's General Counsel and the Audit Committee shall conduct periodic reviews of its purposes and activities.

Section 6.2 These periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether activities carried on by the ANA are consistent with and in furtherance of one or more of the ANA's tax-exempt purposes.
- (b) Whether the ANA follows policies and procedures reasonably calculated to prevent: Conflicts of Interest, private Inurement more than incidental private benefit, excess benefit transactions, substantial lobbying, and participation or intervention in any political campaign on behalf of or in opposition to any candidate for public office.
- (c) Whether compensation arrangements and benefits are reasonable, are based on appropriate data as to comparability, and are the result of arm's length bargaining.
- (d) Whether partnerships, joint ventures, and arrangements with organizations that provide management personnel or management services conform to the ANA's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further tax-exempt purposes, and do not result in private Inurement more than incidental private benefit, or in an excess benefit transaction.

Section 6.3 When conducting the periodic reviews, the ANA may, but need not, use outside experts and/or advisors. If outside experts and/or advisors are used, their use shall

not relieve the Board of the ANA of its responsibility for ensuring periodic reviews are conducted in the manner prescribed in this Article.

## **ARTICLE VII - DEFINITIONS**

Section 7.1 As used in this COI Policy, the following terms shall have the meanings set forth below.

(a) "Committee" shall mean those Committees to the ANA Board of Governors appointed in accordance with the ANA's Bylaws.

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

(c) "COI Policy" means this Conflict of Interest Policy as adopted by the Board of Governors of the ANA on \_\_\_\_\_.

(d) A "Conflict of Interest" arises when the Board, following the procedures set forth in Articles II and III of this COI Policy, determines that a Covered Person has disclosed a Potential Conflict that may, in the judgment of a majority of the Disinterested members of the Board, adversely impact the Covered Person's ability to act fairly and independently and in a manner that furthers, or is not opposed to, the best interests of the ANA. For purposes of this policy, the following circumstances shall be deemed to create a Conflict of Interest:

(i) A Governor, Officer or Key Employee (or family member of any of the foregoing) is a party to a contract, or involved in a transaction with the ANA for goods or services.

(ii) A Governor, Officer or Key Employee (or a family member of any of the foregoing) has a material financial interest in a transaction between ANA and an entity in which the Governor, Officer or Key Employee, or a family member of the foregoing, is an owner, agent, partner, associate, employee, trustee, director personal representative, receiver, guardian, custodian, or other legal representative of the entity transacting business with the ANA.

(iii) A Governor, Officer or Key Employee (or a family member of the foregoing) is engaged in some capacity or has a material financial interest in a business, entity or enterprise that competes with any current or prospective vendor or supplier to the ANA.

(e) "Conflicted Person" means a Person who has been determined by the Executive Committee or the Board of Governors to have a Conflict of Interest.

(f) "Covered Person" shall mean a Governor, Officer, or Key Employee of the ANA.

(g) A "Governor" is any voting member of the Board of Governors of the ANA.

(h) “Disinterested” means not having a Potential Conflict with respect to a transaction, contract, or arrangement being considered by the ANA.

(i) “Domestic Partner” shall mean an individual who resides at the same residence as the Covered Person as his or her spousal equivalent.

(j) A “Duality of Interest” arises when with respect to a transaction, contract, or arrangement, a Covered Person or a member of a Covered Person’s Family has a fiduciary relationship with another party to a proposed transaction, contract, or arrangement which gives rise to a circumstance in which the fiduciary duties of the Covered Person to the ANA and the fiduciary duties of the Covered Person, or the fiduciary duties of the Family Member of the Covered Person, to the other party may be in conflict. A Duality of Interest does not constitute a Conflict of Interest if the ANA and all other parties to the transaction, contract, or arrangement, being in possession of all material facts, waive the conflict in writing.

(k) The “Family” of any Covered Person shall include the Covered Person’s spouse; Domestic Partner; siblings and their spouses or Domestic Partners; ancestors and their spouses or Domestic Partners; descendants and their spouses or Domestic Partners, and nieces, nephews, first cousins and in-laws of the foregoing designated persons.

(l) A “Financial Interest” exists whenever a Covered Person has, directly or indirectly, through business, investment, or Family: (i) an ownership or investment interest in any entity with which the ANA has a transaction, contract, or other arrangement; (ii) a compensation arrangement with any entity or individual with which the ANA has a transaction, contract, or other arrangement; and (iii) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the ANA is negotiating a transaction, contract, or other arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Transactions, contracts, and arrangements include grants or other donations as well as business arrangements. A Financial Interest is a Potential Conflict but is not necessarily a Conflict of Interest. A Financial Interest does not become a Conflict of Interest until the Executive Committee or the Board of Governors, following the procedures set forth in Articles II and III of this COI Policy, determines that the Financial Interest constitutes a Conflict of Interest.

(m) An “Interested Person” is a Covered Person who has a Potential Conflict of Interest with respect to a particular transaction, contract, or arrangement under consideration by the ANA.

(n) “Internal Revenue Code” shall mean the United States Internal Revenue Code of 1986, as amended, or any future revenue statute replacing the 1986 Code.

(o) “Inurement,” as used in this COI Policy, shall mean: (i) a transaction in which the ANA provides an economic benefit, directly or indirectly, to or for the use of any Covered Person where the value of that economic benefit exceeds the value of the consideration (including the performance of services) that the ANA receives in exchange; or (ii) any transaction or arrangement by or through which a Covered

Person receives a direct or indirect distribution of the ANA's funds (other than payment of fair market value for property or the right to use property and reasonable compensation for services).

(p) A "Key Employee" is an employee of the ANA designated as a member of the Management team of the ANA, but who is not an Officer or Governor.

(q) An "Officer" is an individual holding a position designated as an Officer by the ANA's Bylaws or by resolution of the Board and includes, without limitation, the Executive Director of the ANA.

(r) A "Person" includes an individual, corporation, limited liability company, partnership, trust, unincorporated association, or other entity.

(s) A "Potential Conflict" means any one or more of the following: (i) a direct or indirect Financial Interest in a transaction, contract or arrangement being considered by the ANA by a Covered Person or a member of a Covered Person's Family; (ii) a Duality of Interest by a Covered Person or a member of a Covered Person's Family with respect to another party to a transaction, contract, or arrangement being considered by the ANA that has not been waived in writing by all parties to the transaction, contract, or arrangement; or (iii) a close personal relationship between the Covered Person, or a member of a Covered Person's Family, with an individual who is, directly or indirectly through business, investment, or Family, a party to a transaction, contract, or arrangement being considered by the ANA.

Section 7.2 Where terms used in this COI Policy have a particular meaning under the Internal Revenue Code, this COI Policy shall be construed to incorporate that meaning.

Section 7.3 All other terms used in this COI Policy shall be given their ordinary, everyday meaning.