



Conflict of Interest Policy

Article I Purpose

The purpose of this Conflict of Interest policy is to protect the EMA's (the "EMA") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the EMA or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state or federal laws governing conflicts of interest applicable to nonprofit organizations.

Article II Definitions

(1) "Interested Person" -- Any EMA director, officer, or member of a committee with governing board delegates powers, who has a direct or indirect financial interest, as defined below, is an interested person.

(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 the EMA has a transaction or an arrangement;

(b) A compensation arrangement with the EMA or with any entity or individual with which the EMA has a transaction or an arrangement; or,

(c) A potential ownership or investment interest in, or compensation arrangement with any entity or individual with which the EMA is negotiating a transaction or an arrangement.

Compensation includes direct and indirect remuneration, as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the applicable governing board or committee decides that a conflict of interest exists.

Article III Procedures

(1) **Duty to Disclose.** In connection with any actual or possible conflict of interest, an

interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of the committees with governing board delegated powers considering the proposed arrangement or transaction.

(2) **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

(3) **Procedures for Addressing the Conflict of Interest.**

(a) An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he or she shall state his or her recusal and shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(b) The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(c) After exercising due diligence, the governing board or committee shall determine whether the EMA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(d) If a more advantageous transaction or arrangement is not reasonably possible under the circumstances, the governing board or committee shall determine by a majority vote of the disinterested directors or committee members whether the transaction or arrangement is in the EMA's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, the EMA shall make its decision as to whether to enter into the transaction or arrangement.

(4) **Violations of the Conflicts of Interest Policy.**

(a) If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts 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 member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest it shall take appropriate disciplinary and corrective actions.

Article IV
Records of Proceedings

The minutes of the EMA's Board of Directors and any committee with board-delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board or committee's decision as to whether a conflict of interest in fact existed.

(b) The names of the person who were present for discussion and votes relating to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V
Compensation

(1) A voting member of the Board of Directors who receives compensation, directly or indirectly, from the EMA for services is precluded from voting on matters pertaining to that member's compensation.

(2) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the EMA for series is preclude from voting on matters pertaining to that member's compensation.

(3) No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the EMA either individually or collectively, is prohibited from proving information to any committee regarding compensation.

Article VI
Provision of This Policy to Officers, Directors and Committee Members

At the inception of their initial term, each officer, director and committee member with board delegated authority shall be provided with a copy of this conflicts of interest policy. At the time of receipt, they shall agree to comply with it as well as state that they understand that EMA's nonprofit status requires it to engage primarily in activities which accomplish its tax-exempt purposes.

These acknowledgements can come verbally in the board or other appropriate meeting where the policy is presented and reflected in the minutes. Much like the antitrust statement.

Article VII Period Reviews

To ensure the EMA operates in a manner consistent with its tax-exempt purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable based on competent information, and the result of arm's length bargaining; and,

(b) Whether partnerships, joint ventures and arrangements with management organizations conform to the EMA's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII Use of Outside Experts

When conducting periodic reviews as provided for in Article II, the EMA may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

Updated and Adopted on: May 10, 2019

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