



GREEN VALLEY CARES

An Arizona Non-profit Corporation

CONFLICT OF INTEREST POLICY AND AGREEMENT

ARTICLE I

Each member of the board of directors and the staff of the corporation has a duty of loyalty to the corporation. The duty of loyalty generally requires a director or board member to prefer the interests of the corporation over the director's/staff's interest or the interests of others. In addition, directors board members of the corporation shall avoid acts of self-dealing which may adversely affect the tax-exempt status of the corporation or cause there to arise any sanction or penalty by a governmental authority.

All board members have a fiduciary a relationship with Green Valley Cares

ARTICLE II

DEFINITIONS

2.1 Interested Person

Any director, or principal officer with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2.2 Financial Interest

A. A person with has a financial interest if the person has, directly, indirectly, or through business, investment or family:

(a) An ownership or investment interest in any entity with which the corporation has a transaction or arrangement, or a compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement, or a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or 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 appropriate governing board or committee decides that a conflict of interest exists.

ARTICLE III **PROCEDURES**

3.1 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 with governing board delegated powers considering the proposed transaction or arrangement. These interests may include such things as the same bank account, or insurance policy.

3.2 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/she shall leave the governing board -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.

3.3 Procedures for Addressing the Conflict of Interest

(a) After exercising due diligence, the governing board - shall determine whether the corporation 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.

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

3.4 Violations of the Conflicts of Interest Policy

(a) If the governing board 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 action.

ARTICLE IV

RECORDS OF PROCEEDINGS

4.1 Minutes

The minutes of the governing board shall contain:

(a) Minutes shall include discussion item, content of the discussion and votes relating to the transaction or arrangement, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE V

COMPENSATION

5.1 A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

ARTICLE VI
ANNUAL STATEMENTS

Each director, and principal officer shall annually sign a statement which affirms such person:

- (a) Has received a copy of the conflicts of interest policy,
- (b) Has read and understands the policy,
- (c) Has agreed to comply with the policy, and
- (e) Understands that the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VII
PERIODIC REVIEWS

To ensure the corporation operates in a manner consistent with charitable 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 survey information and the result of arm's length bargaining.
- (b) Whether partnerships, joint ventures, and arrangements with management corporations conform to the corporation'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 the periodic reviews as provided for in Article VII, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

CERTIFICATION

CERTIFICATE OF ADOPTION OF CONFLICT OF INTEREST POLICY AND AGREEMENT

I do hereby certify that the above stated Conflict of Interest Policy and Agreement for Green Valley Cares were approved and adopted by the board of directors on March 27,2024 and constitute a complete copy of the Conflict-of-Interest Policy of the corporation.

_____ [Secretary's
Name], Secretary

Date: _____