



CONFLICT OF INTERESTS

Section A:

Objective

The purpose of the conflict-of-interest policy is to protect this tax-exempt Organization when it contemplates entering a transaction or arrangement that could benefit the private interest of an organization's officer or director or result in a possible transaction of excessive benefits. This policy is intended to supplement, but not replace, applicable to charities and nonprofit organizations.

Section B:

Definitions

1. Interested Person: Any director, chief official, or a member of a committee with powers delegated from the board of directors who has a direct or indirect financial interest, as defined below, is an interested person.
2. Economic Interest: A person has an economic interest, directly or indirectly, through businesses, investments, or family:
 - a. Owner or investor in any entity with which the Organization has a transaction or agreement,
 - b. A compensation agreement with the Organization or with any entity or person with whom R.E.A.L has a transaction or arrangement or
 - c. A potential owner or interested investor or compensation agreement with any entity or person with which the Organization is negotiating a transaction or arrangement.
3. Compensation includes direct or indirect remuneration and gifts or favors, even if they are insignificant.
4. A financial interest is not necessarily a conflict of interest. Under Article VII, Section C, a person with a financial interest may have a conflict of interest only if the applicable Board of Directors or Governing Committee decides, in writing, that a conflict of interest exists.



Section C:

Procedures

1. Duty to Disclose. About any actual or potential conflict of interest, any member of R.E.A.L. must disclose the existence of the financial interest and have the opportunity to disclose all material facts to the directors and members of the committees with powers delegated to the Board of Directors considering the transaction or proposed agreement.
2. Determine if a conflict of interest exists. After disclosure of the financial interest, analysis of the material facts, and any disagreement with the interested person, they are removed from the Board of Directors or the Committee. In contrast, determinations of a conflict of interest are discussed and voted on. The remaining members of the Board or Committee will decide if there is a conflict of interest.
3. Procedures to address conflict of interest.
 - a. An interested person may present at the Board of Directors or the Committee; after the representation, they must leave the meeting for discussion and voting on the transaction or arrangement that involves the possible conflict of interest.
 - b. The chairman of the Board of Directors shall, if appropriate, designate an individual or Committee to investigate alternatives to the proposed transaction or arrangement.
 - c. If an advantageous transaction or arrangement is not reasonably possible under normal circumstances, the Board of Directors or the Committee will determine by a majority vote of the disinterested directors whether the transactions or arrangement is in the best interest of the Organization for its approval, for its benefit, and whether it is fair and reasonable. Based on the above determination, the decision will be made on whether to enter into the transaction or arrangement.
4. Violations of the Conflict-of-Interest Policy.
 - a. If the Board or Committee has reasonable grounds to believe that a member has [intentionally and maliciously] failed to disclose actual or potential conflicts of interest, it will inform the Board based on such belief and allow the member to explain the alleged lack of disclosure.
 - b. If, after hearing the member's response and conducting further investigation, as the circumstances warrant, the Board of Directors determines that the member has failed to disclose an actual conflict of interest, it shall take appropriate disciplinary and corrective action based on the event's severity.

**Section D:**

Procedure Records

The minutes of the Committee and all commissions with powers delegated by it will contain:

1. The names of the people who disclosed or discovered that they had a financial interest in an actual or potential conflict of interest, the nature of the financial interest, any action taken to determine whether a competition existed, and the decision of the Board of Directors regarding the existence of an actual conflict of interest.
2. The names of the people who were present at the discussions and votes related to the transaction(s) or arrangement(s), the content of the debate, including alternatives to the transaction(s) or arrangement(s) proposed, and a record of any votes taken in connection with the procedure.

Section E:

Compensation

1. A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Organization for their services may not vote on matters related to that member's salary.
2. A voting member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for their services may not vote on the issues related to that member's salary.
3. Any voting member of the Board of Directors or any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, individually or collectively, is prohibited from providing information to any Commission concerning payment.

Section F:

Annual Statements

Each director, principal officer, and member of a committee with delegated power of the board of directors must annually sign a statement affirming that such person:

1. Have received a copy of the conflict-of-interest policy,
2. Have read and understand the policy,
3. Has agreed to comply with the policy, and
4. Understands that the organization is charitable and, to maintain its federal tax exemption, it must primarily engage in activities that fulfill one or more of its tax-exempt purposes.



Section G:

Periodic Reviews

To ensure that the organization operates consistently for charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews will be conducted.

Section H:

Use of external advisors

In carrying out the periodic reviews provided for in Article VII, the Organization may, but need not, use external advisors. If external experts are used, they will not relieve the Board of Directors of its responsibility to ensure periodic reviews are carried out.

I HAVE READ AND UNDERSTAND THE CONFLICT-OF-INTEREST POLICY AND THE DUTIES THEREIN

Signature

Name

Date