

THE CALIFORNIA SOCIETY

OF THE

SONS OF THE AMERICAN REVOLUTION

(CASSAR)

CONFLICT OF INTEREST/CODE OF ORGANIZATIONAL CONDUCT

SECTION 1. PURPOSE:

The California Society of the Sons of the American Revolution (known hereafter as CASSAR) is a not for profit, tax-exempt organization. Maintenance of its tax-exempt status is important for both continued financial stability, public and member support. Therefore, the Internal Revenue Service, as well as other regulatory agencies, tax officials and other stakeholders view the policy and operations of the SAR as a public trust, which is subject to scrutiny by and accountable to such authorities as well as its constituents.

Consequently, there does exist between the CASSAR and its officers, trustees, committee chairmen, and the general public a fiduciary duty that carries with it a broad and clear duty to fidelity and loyalty. The officers, trustees, and committee chairmen have the responsibility to administer the affairs in an honest and prudent manner, exercising the best skill, abilities and judgment for the sole benefit of the CASSAR. Those persons who serve in leadership capacities shall exercise good faith in all matters and transactions, and shall refrain from practices that allow personal gain or benefit due to knowledge or influence. The interest of the SAR shall be the priority in all decision and actions.

SECTION 2. PERSONS CONCERNED:

This code and statement is intended for all general officers, trustees, committee chairmen, and others as so determined by the board of managers of the CASSAR. All persons who may influence decisions of the CASSAR may be added at any time.

SECTION 3. AREAS OF POTENTIAL CONFLICT:

Conflicts may arise in relations to officers, trustees, and committee chairmen with any of the following third parties:

1. Persons and firms supplying goods and services to the CASSAR
2. Persons and firms from whom the CASSAR leases property or equipment.
3. Persons and firms with whom the CASSAR is maintaining or plans to maintain a business relationship that involves the sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting the CASSAR.
6. Agencies, organizations, and associations that affect the operations of the CASSAR.
7. Family members, close associates and other employees.

SECTION 4. NATURE OF CONFLICT OF INTEREST:

A conflicting interest may be defined as an interest, direct or indirect, with any person or firms mentioned in Section 3. Such interest may arise from the following activities:

1. Owning stock or holding debt or other proprietary interests in a third party dealing with the CASSAR.
2. Holding office, serving on the board, participation in management, or being otherwise employed or previously employed with any third party who conducts business or intends

- to conduct business with the CASSAR.
3. Receiving remuneration for services with respect to individual transactions involving the CASSAR.
 4. Using the time, personnel, equipment, good will or other resources of the CASSAR for activities other than approved activities, programs and functions.
 5. Receiving personal gifts, professional opportunities or loans from third-party vendors conducting business or intending to conduct business with the CASSAR. Receipt of any gift of cash is prohibited. Gifts with a value of less than \$25 (twenty-five dollars) may be accepted only if the acceptance avoids a discourtesy.

SECTION 5. INTERPRETATION OF POLICY:

The areas of conflicting interest listed in Sections 3 and 4 are examples of potential conflicts and may be expanded as situations dictate. All persons who serve in leadership and critical areas of the CASSAR shall use best judgment to determine any possible conflicts. The CASSAR Chancellor shall be consulted on any question of this policy.

Persons in leadership positions of the CASSAR shall disclose any potential conflict before transactions are consummated. The leadership shall scrutinize all transactions and disclose any activities that are, or have the appearance of, a conflict to the board of managers immediately upon knowledge of such activities.

This policy, once enacted, shall be mandatory for all affected members. Any change of the policy will require a two-thirds affirmative vote of the Board of Managers of the CASSAR. Such vote will occur at the Annual Meeting, or a Board of Managers Meeting.

SECTION 6. DISCLOSURE POLICY AND PROCEDURE:

Transactions with parties with whom a conflicting interest exists may only be undertaken when all four (4) of stipulations are met:

The conflict of interest is fully disclosed.

The person with the conflict refrains from discussion and approval of such transaction.

A competitive bid or comparable valuation exists.

The leadership, executive committee, board of managers, or duly constituted committee determines that the transaction serves the best interest of the CASSAR.

Disclosure shall be made to the CASSAR President (Executive Vice President if the President is the person in conflict) and the Chancellor, who shall bring the matter to the Board of Managers for discussion and resolution.

The duly constituted committee shall determine whether a conflict exists. Further, the constituted body shall determine in a fair, just, and reasonable manner if the approval of such transaction with the disclosed conflict best serves the interest and mission of the CASSAR.

Please circle one: I have / have never been convicted of a felony crime.

I acknowledge receipt of the above document, that I have read it, and that I understand its contents.

PRINT NAME

SIGNATURE

TITLE/POSITION

DATE