

Conflict of Interest

STATEMENT OF POLICY AND PROCEDURES

I. INTRODUCTION

When the personal or professional concerns of a Director or Staff Member affect his or her ability to put the welfare of FOCUS St. Louis before personal interest or benefit, a conflict of interest exists. In order to address actual and potential conflicts of interest, FOCUS is instituting a system of checks and balances as reflected in this Statement of Policy and Procedures. Each Director and Staff Member is urged to review this Statement closely and is expected to abide by the policies and procedures set forth in this Statement.

II. THE POLICY AND PROCEDURES

Overview of Policy

The FOCUS St. Louis Statement of Policy and Procedures on Conflicts of Interest has three main components: disclosure; abstention from discussion, voting and decision-making; and avoidance of the appearance of impropriety.

Definitions

- a. Material Financial Interest means a financial interest of any kind of Director, Staff Member or Family Member, which in view of all the circumstances, is substantial enough that it would or reasonably could affect a Director's or Staff Member's judgment with respect to a Transaction. Typically, an ownership interest of three percent (3%) or less in a public company will not be considered a Material Financial Interest.
- b. Transaction means any agreement, arrangement or relationship involving the payment of more than \$500 involving the purchase or sale of goods, services or rights of any kind or the creation of any type of financial relationship.
- c. Family Member means, as to a Director or Staff Member, a spouse, life partner, parent, child, grandchild, sibling or spouse of a sibling.
- d. Conflict of Interest means any of the following:
 1. A Transaction between FOCUS and a Director, Staff Member or Family Member;
 2. A Transaction between FOCUS and an entity in which a Director, Staff Member or Family Member has a Material Financial Interest or of which such person is a director, partner, associate, trustee, personal representative, agent or other legal representative;
 3. A Director's or Staff Member's competing with FOCUS or having a Material Financial Interest in, or serving as a director, officer, partner, associate, trustee, personal representative, agent or consultant to, any entity or individual that competes with FOCUS for the provision of services, or any other Transaction, with a third party; or
 4. A Director's or Staff Member's accepting gifts, entertainment or other favors with a value in excess of \$75.00 from any individual or entity that either (a) does or is seeking to do business with, or is a competitor of FOCUS, or (b) has received or is seeking to receive any financial commitment from FOCUS.

Disclosure

In order to address actual and potential conflicts of interest appropriately, it is important for the President of the Board of Directors and the President/CEO to be aware of facts which could give rise to a conflict of interest. Accordingly, each member of the FOCUS Board of Directors and Staff shall annually provide a Conflict of Interest Disclosure Statement in substantially the form attached to this Statement.

Specific Disclosure and Abstention from Voting

In addition to the annual disclosure, specific disclosure prior to consideration or implementation of a Transaction shall be made as follows:

1. Prior to Board action on a Transaction involving a Conflict of Interest, a Director having a Conflict of Interest who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.
2. A Director who plans not to attend a meeting at which he or she has reason to believe that the Board will act on a matter in which the person has a Conflict of Interest shall disclose to the Board Chair, or his or her designee, all facts material to the Conflict of Interest. The Board Chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
3. A person who has a Conflict of Interest shall not participate in the Board's discussion of the matter except to disclose material facts and to respond to questions. Such a person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
4. A person who has a Conflict of Interest with respect to a Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a conflict of interest may not vote on the Transaction. Such person's ineligibility to vote shall be reflected in the minutes of the meeting. For purposes of this paragraph, a member of the Board of Directors of FOCUS does not have a Conflict of Interest when he or she stands for election as an officer or for re-election as a member of the Board of Directors.
5. Staff Members of FOCUS who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of Board action, shall disclose to the President any Conflict of Interest that such person has with respect to the Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Staff Member. The Staff Member shall refrain from any action that may affect FOCUS's participation in such Transaction.

In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the Board Chair or his or her designee, who shall determine whether there exists a Conflict of Interest that is subject to this Policy.

Confidentiality

Each Director and Staff Member shall exercise care not to disclose confidential information acquired in connection with such status or information, the disclosure of which might be averse to the interests of FOCUS. Furthermore, Directors and Staff Members should not disclose or use information relating to the business of FOCUS for the personal profit or advantage of himself or herself or a Family Member.