

Estate Insurance Group Conflict of Interest Policy

I. Statement of Policy

A possible conflict of interest exists when a director has a material personal interest, either direct or indirect, in a proposed transaction involving this organization. When a director has an interest in a transaction being considered by the organization, the director should disclose that conflict before the board of directors or staff member takes action on the matter. Any board member having a conflict of interest will not vote or use his or her personal influence on the matter and will not be present when the matter is discussed by the board. The minutes of the meeting will reflect that a disclosure was made, and the abstention from voting.

This policy also will apply to immediate family members, the organization's committees, and its volunteer association. Directors, committee members, staff members, and officers of the volunteer association will be required to attest annually to their familiarity with this policy and to provide information concerning any possible conflict of interest so that disclosure, if necessary, is made.

Staff members and their immediate families will not benefit materially from the organization beyond receipt of salaries, fringe benefits, and reimbursement for authorized expenses.

II. Definition of Material Personal Interest

A material personal interest is:

1. an ownership or investment interest in any entity with which this organization has a transaction or arrangement;
2. a compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement; or
3. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts, favors, and non-financial benefits that are not insubstantial.

III. Procedures

1. The interested director(s) will disclose to the Board, preferably in writing, the material facts as to his or her material personal interest in the transaction and in

- any corporation, partnership, association or other organization involved in the transaction prior to the meeting at which the Board acts upon the transaction.
2. The interested director(s) will absent himself or herself from the meeting while the transaction is discussed and acted upon.
 3. A disinterested director, or other disinterested party familiar with the transaction, will present evidence of the fairness of the proposed transaction, such as competitive bids or comparable price quotations.
 4. The vote of a majority of the disinterested directors participating in the meeting and constituting a quorum, after reaching a decision regarding whether the proposed transaction is fair to the organization, will be required for approval of the transaction. The minutes for the meeting will reflect that a disclosure of interest was made and that the interested director(s) abstained from voting and was not present during the Board's consideration of the transaction.
 5. These procedures (i) will apply to transactions approved after the date of adoption of this policy; (ii) will not apply to reimbursement of expenses actually incurred by any director in the course of performing his or her duties as such; and (iii) may be waived or altered in any particular case by vote of a majority of the full Board of Directors for good cause shown.

IV. Potential Conflict Report

A conflict of interest report may be submitted to the Directors or the Board for full consideration. Such reports must be recorded within the Board minutes.