

AMERICAN BAPTIST CHURCHES IN THE U.S.A.

Conflict of Interest Policy for BGM Members, Officers, and Key Persons

American Baptist Churches in the U.S.A. (the Corporation” or “ABCUSA”) is a charitable organization whose members of the Board of General Ministries (“BGM”), officers, and key persons (if any) are chosen to serve the public purposes to which it is dedicated. These persons have a duty to conduct the affairs of the Corporation in a manner consistent with such purposes and not to advance their personal interests. This conflict of interest policy is intended to permit the Corporation and its BGM members, officers, and key persons to identify, evaluate, and address any real, potential or apparent conflicts of interest that might, in fact or in appearance, call into question their duty of undivided loyalty to the Corporation. This policy is also intended to address any real, potential, or apparent conflicts of interest that involve any BGM members, officers, and key persons of any affiliate of the Corporation.

1. Covered Persons

This policy applies to the Corporation’s BGM members, officers, and key persons,¹ if any, as well as the Board members, officers, and key persons of any affiliate of the Corporation, including the American Baptist Historical Society (each, a “Covered Person”). For purposes of this policy, an affiliate shall refer to any entity controlled by or in control of the Corporation.

2. Covered Transactions

This policy applies to “Covered Transactions” which are:

- (a) transactions between the Corporation and Covered Persons;
- (b) transactions between the Corporation and an Affiliated Entity or Family Member of a Covered Person;
- (c) other transactions or arrangements in which there may be an actual or perceived conflict of interest, including any transaction in which a Covered Person, Affiliated Entity, or Family Member has a financial interest and any transaction in which the interests of a Covered Person may appear to be advanced by the Corporation; or

¹ For purposes of this policy, a key person shall be any person, other than a BGM member or officer, whether or not an employee, who (a) has responsibilities, or exercises powers or influence over the Corporation as a whole similar to the responsibilities, powers, or influence of BGM members and officers; (b) manages the Corporation, or a segment thereof, that represents a substantial portion of the activities, assets, income, or expenses of the Corporation; or (c) alone or with others controls or determines a substantial portion of the Corporation’s capital expenditures or operating budget.

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(d) otherwise whenever a Covered Person's interests could be reasonably viewed as affecting his or her objectivity or independence in fulfilling his or her duties to the Corporation.

A Covered Transaction shall not include (1) a transaction that is de minimis or in which a Covered Person, Affiliated Entity, or Family Member has a financial interest that is de minimis; (2) a transaction that would not customarily be reviewed by the Board(s) of similar organizations in the ordinary course of business and is available to others on the same or similar terms; or (3) a transaction that constitutes a benefit provided to a Covered Person, Affiliated Entity, or Family Member solely as a member of a class of the intended beneficiaries as part of the accomplishment of the Corporation's mission, which benefit is available to all similarly situated members of the same class on the same terms.

3. Family Members and Affiliated Entities

- (a) "Family Member" means a spouse or domestic partner, ancestor, sibling, child, stepchild, grandchild, great-grandchild, and the spouses or domestic partners of a sibling, child, stepchild, grandchild, and great-grandchild.
- (b) "Affiliated Entity" means an entity in which the Covered Person has a material financial interest – including entities in which the Covered Person (and his or her Affiliated Entities and Family Members) own, individually or in the aggregate, more than 10% (or, in the case of a partnership or a sole proprietorship, have any direct or indirect interest), or an entity in which the Covered Person is an officer, director, trustee, member, or employee.

4. Disclosure, Refrain from Influence, and Recusal

When a Covered Person becomes aware of a previously undisclosed current or proposed Covered Transaction, he or she shall have a duty to immediately disclose in good faith the material facts concerning such Covered Transaction, in writing, to the BGM or any applicable committee. If a Covered Person has any questions about whether a particular transaction or arrangement may constitute a Covered Transaction, he or she shall notify the President of ABCUSA or the chair of the applicable committee, who shall make a determination as to whether or not the Covered Person is required to disclose the possible Covered Transaction to the BGM or the applicable committee.

Where a Covered Person becomes involved in a proposed Covered Transaction, he or she shall:

- (a) refrain from using his or her personal influence to encourage the Corporation to enter into the Covered Transaction or make any other attempt to influence improperly the deliberation or voting on the matter; and
- (b) physically excuse himself or herself from participation in any discussions regarding the Covered Transaction with officers and employees of the Corporation and at meetings of the BGM or any applicable committee, except to

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respond to requests for information about the Covered Transaction prior to the deliberation and vote.

5. Standard for Approval of Covered Transactions

The Corporation may enter into a Covered Transaction where the BGM, or any applicable committee thereof, (a) prior to entering into the Covered Transaction, considers alternative transactions to the extent available; (b) determines that the Covered Transaction is fair, reasonable, and in the Corporation's best interests; and (c) approves the Covered Transaction by not less than a majority of the voting members present at the meeting.

The BGM, or applicable committee thereof, shall contemporaneously document in writing the basis for its determination in the minutes of the meeting at which the Covered Transaction is considered, including any documents reviewed, expert advice received, consideration of alternatives, comparative costs or bids, market value information and similar information relied on and supporting the determination of fairness to the Corporation.

6. Administration of Policy

This policy shall be administered by the BGM, or any applicable committee thereof, which shall be responsible for the following:

- (a) reviewing reports regarding the Conflict of Interest Questionnaires;
- (b) receiving disclosures of current or proposed Covered Transactions;
- (c) reviewing proposed Covered Transactions to determine whether they meet the above-described standard; and
- (d) maintaining minutes and such other documentation as may be necessary and appropriate to document its review of Covered Transactions.

The BGM may seek advice from outside advisors in connection with the review of any Covered Transactions or with the administration of this policy. The BGM shall have authority to review the operation of this policy and make changes from time to time as it may deem appropriate.

A copy of this policy shall be furnished to each Covered Person who is currently serving the Corporation, or who may hereafter become associated with it. New Covered Persons shall be given a copy of the policy prior to undertaking his or her duties. Each Covered Person must acknowledge, at least annually, that he or she has read and is in compliance with this policy.

7. Conflict of Interest Questionnaire

In order to assist the Corporation in identifying potential Covered Transactions, each Covered Person shall complete a Conflict of Interest Questionnaire (form of which is attached to this policy) provided by the Corporation prior to taking office and/or beginning employment and annually thereafter. Each Covered Person shall update such Questionnaire as necessary to reflect changes during the course of the year. All Completed Questionnaires shall be submitted to the General Secretary of ABCUSA who shall forward such Questionnaires to the President of

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ABCUSA or chair of the applicable committee thereof. Completed Questionnaires shall be available for inspection by any BGM member and may be reviewed by the Corporation's legal counsel.

Each Covered Person shall be required to acknowledge, not less than annually, that he or she has read and is in compliance with this policy.

Adopted by the BGM on _____, 20__.

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Conflict of Interest Declaration

American Baptist Churches in the U.S.A. (the “Corporation”) requires each officer, BGM member and key person (if any) of the Corporation and any affiliate of the Corporation, including the American Baptist Historical Society, annually to (1) review the Corporation’s Conflict of Interest Policy (the “Policy”); (2) disclose any possible personal, familial, or business relationship that reasonably could give rise to a conflict of interest or the appearance of a conflict of interest; and (3) acknowledge that he or she is acting in accordance with the letter and spirit of the Policy. Please respond to the following questions to the best of your knowledge; use an additional page if necessary.

1. Are you aware of any current or proposed Covered Transactions (as defined in the Policy) or any other transactions between the Corporation and you, a Family Member or an Affiliated Entity (each as defined in the Policy)? If so, please describe.

2. Are you aware of any other relationships, arrangements, transactions or matters involving the Corporation which could create a conflict of interest or the appearance of a conflict? If you are aware of any of the above, please describe.

3. Please list your Affiliated Entities (including entities affiliated through a Family Member) and any other entities in which you have an ownership interest that by their nature or purposes might, in the future, seek to be engaged in transactions with the Corporation.

I have received and read the Corporation’s Conflict of Interest Policy. I am currently, and agree to remain, in compliance with the Policy.

Date

Signature

Printed Name

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Please return this document to _____ at _____ or via fax at _____
or via email at _____.