



BYLAWS OF THE RELIGION NEWS ASSOCIATION

These Bylaws govern the operation and administration of the Religion News Association. These Bylaws were revised Jan. 1, 2008, May 1, 2000 and July 1, 2016. They encompass and supersede all prior revisions since the constitution was adopted June 13, 1998. The 1970 constitution superseded the earlier RNA constitution adopted May 24, 1952 and revised in 1956, 1957, 1959, and 1970. These Bylaws also supersede and replace the constitution of the James O. Supple Memorial Fund of the RNA revised June 6-7, 1981.

ARTICLE I. NAME AND INCORPORATION

SECTION 1. Name

The name of the organization shall be Religion News Association, hereinafter referred to as “the Association.”

SECTION 2. Incorporation

This Association shall be incorporated.

SECTION 3. Registered Office and Agent

The Religion News Association, a nonprofit, charitable, educational corporation incorporated under the laws of the State of Virginia, shall have and continuously maintain a registered office in the State of Virginia and a registered agent whose office is identical with such registered office, as required by the State of Virginia. The registered agent shall be an individual resident of Virginia or a corporation, whether for profit or not for profit, authorized to transact business in the State of Virginia. The address of the registered office may be changed from time to time.

SECTION 4. Other Offices

The Association may have such other office or offices, at such suitable place or places within or without the State of Virginia, as the Board may from time to time determine as necessary for the conduct of the affairs of the Association.

ARTICLE II. PURPOSE

SECTION 1. Purpose

The Religion News Association is a charitable, literary and educational organization whose purpose is to promote excellence in media coverage and in public discourse about religion. RNA envisions religion reporting and commentary informed by civility, accuracy, fairness and insight.

SECTION 2. Non-Profit Provisions

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section One hereof. No part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code 1954 or the corresponding provision of any future United States Internal Revenue Law.

SECTION 3. Dissolution of Corporation

Upon the dissolution of the corporation, the officers shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3), 501(c)(4) or 501(c)(6) of the Internal Revenue Service Code of 1954, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the corporation is then incorporated, exclusively, for such purposes to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE III. MEMBERSHIP

SECTION 1. Membership Defined

Members of the Association shall consist of men and women whose qualification in the judgment of the Board of Directors or its designee(s) shall warrant their membership in one of the following two categories: Full Member or Associate Member. Full Members shall not engage in lobbying or public relations work relating to religion, religious issues, or on behalf of religious leaders. The Board of Directors may maintain policies on how the membership section of these Bylaws will be implemented by the board. The qualifications and rights of the members of those categories shall be as follows:

ITEM A. Full

An individual is eligible to be a Full Member if he or she covers religion and is primarily engaged in the gathering, reporting, writing, editing, photographing, producing or illustrating of news for dissemination by regularly published, general circulation newspapers, magazines, and newsletters, as well as radio and television stations and networks, online media, books, news services and other media available to the general public. Full members also include full-time faculty, or students who are at an accredited college, university, or other school and have an interest in religion reporting or in learning about media coverage of religion. Full Members shall not engage in lobbying or public relations work relating to religion, religious issues or on behalf of religious leaders. Full members shall have voting privileges at RNA membership meetings.

ITEM B. Associate

An individual is eligible to be an Associate Member if he or she does not meet the qualifications for Full membership. Associate Members may not vote in RNA membership votes.

SECTION 2. Voting

Only Full Members, who are not more than one month in arrears in dues shall be eligible to vote on Board Full Member vacancies or on other membership decisions.

SECTION 3. Appropriation of Power

No member shall use or exploit in any way the name of the Association for personal, partnership or corporate aggrandizement.

SECTION 4. Application of Membership

An individual seeking membership in the Association as a Full or Associate Member must submit a completed application, in such form as the Board of Directors shall determine, to the Board of Directors or its designees, which in its sole discretion, consistent with Article III, Section 1, items A and B, and in

accordance with its membership policy and procedures, will grant or deny the individual's application for membership. Applicants will be notified in writing, if accepted, and of membership status granted.

SECTION 5. Termination of Membership

Members who fall one year in arrears of payment of dues shall, after proper notice, be automatically dropped from the membership roll.

SECTION 6. Membership Dues

Dues shall be assessed for both Full and Associate Members, payable annually, beginning the first of January of each calendar year. The amount of the dues of the members shall be determined by the Board and shall be paid monthly or annually by such dates or date as may be determined by the Board from time to time. The Board may establish different dues for different membership categories.

SECTION 7. Meetings

ITEM A. Annual Meetings

A regular annual meeting of the members shall be held at least once a year, at such time, day, and place as shall be designated by the Board of Directors. The Board of Directors may, by resolution, provide for the holding of additional regular meetings.

ITEM B. Special Meetings

Special membership meetings may be called by the Board of Directors and shall be called upon written request thereof to the Secretary of the Association by not less than one-third of the members entitled to vote.

ITEM C. Notice of Meetings

Notice of time, day, place and purpose of each meeting shall be given to all members of the Association not less than 10 days nor more than 50 days from the meeting date. In addition, the Association may give members written notice of the date, time and place of each annual and special members' meeting by a form of electronic transmission consented to by the member to whom the notice is given. A notice given by a form of electronic transmission shall be given as far in advance of the meeting as would be required if the notice was delivered in another manner, such as via U.S. mail. Any such consent of a member shall be revocable by the member by written notice to the Association. Any such consent shall be deemed revoked if (i) the Association is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with such consent and (ii) such inability becomes known to the Secretary or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

ITEM D. Quorum

The quorum for the transaction of any and all business at the annual meeting or any special membership meeting of the Association shall consist of not less than one-tenth of the voting members present at an annual conference and eligible to vote at a regular or special meeting of

the Association. If a quorum is not present, a majority of the voting members present may adjourn the meeting to a future time, without further notice being required.

ITEM E. Manner of Acting

Except as otherwise expressly required by law, the Articles of Incorporation of the Association, or these Bylaws, the affirmative vote of a majority of the voting members present, at any meeting of the members, at which a quorum is present, shall be the act of the members.

ITEM F. Written Consent

Action taken by the members without a meeting is nevertheless the action of the members if written consent to the action in question is signed by all the members entitled to vote and filed with the minutes of the proceedings of the members, whether done before or after the action so taken.

ITEM G. Proxies

At any meeting of the members, a member entitled to vote may do so by proxy executed in writing. Unless otherwise provided in the proxy, the proxy shall cease to be valid eleven months from the date of execution. Proxies may confer general voting rights, or they may be limited to prescribed action on a patroller issue.

ITEM H. Mail Ballot

In lieu of obtaining the vote of members at a regular or special meeting, the Board of Directors may submit any matter to the voting members for approval by mail ballot. An official ballot shall be mailed to each voting member. Ballots postmarked later than the announced deadline will not be counted. Except as otherwise required by law, the Articles of Incorporation of the Society, or these Bylaws, the affirmative vote of a majority of the members voting by ballot shall be the act of the members.

ITEM I. Electronic Ballot

If authorized by the Board of Directors, any requirement that any vote of the members be made by written ballot may be satisfied by a ballot submitted by electronic transmission, provided that any such electronic transmission shall either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the member or the member's proxy, such as ballots requiring a secure login. Electronic ballots completed after the announced deadline will not be counted.

ARTICLE IV. FINANCIAL MATTERS

SECTION 1. Regular Support

The regular financial support of the Association shall be derived from annual dues levied upon members and/or by other sources authorized by the Board of Directors.

SECTION 2. Special Projects

Special projects shall be financed only by funds available to the Association or such means as may be determined by the Board of Directors.

SECTION 3. Contracts

The Board may authorize any officer or officers, agent or agents of the Association to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

SECTION 4. Checks

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by the policies of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer and countersigned by the President or Vice President of the Association.

SECTION 5. Deposits

All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may select.

SECTION 6. Gifts

The Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or any special purpose of the Association.

ARTICLE V. BOARD OF DIRECTORS

SECTION 1. Definition

There shall be a Board of Directors, hereinafter referred to as "Board," to manage, supervise, and control the business, property and affairs of the Association, except as otherwise expressly provided by law, the Articles of Incorporation of this Association or these Bylaws. The Board shall be vested with the powers possessed by the Association itself, including the powers to determine the policies of the Association and prosecute its purposes, to appoint and remunerate agents and employees (including the power to delegate some or all of this authority), to establish the budget of the Association, to disburse the funds of the Association, and to adopt such rules and regulations for the conduct of its business, responsibility and authority as shall be deemed advisable. The President shall serve as chairman of the Board. This Board shall be identical with both the Board of Trustees and Board of Managers as noted in Article V of the "Articles of Incorporation" of the Religion News Association filed in the State of Virginia.

SECTION 2. Number, Tenure, and Qualifications

The members of the Board shall serve until their successors are elected and qualified but for not more than three consecutive terms. Members may seek reelection to the Board of Directors after at least one three-year period off the Board of Directors. The Board shall be composed of not less than seven and no more than 20 who are Full or Associate Members of the Association in good standing. Board composition shall be as follows: No less than 60 percent of all Directors shall be Full Members of the Association who work as journalists in general distribution news outlets. The remaining members may be comprised of any combination of Full or Associate members. In addition, the Executive Director and/or Chief Operations Officer of the Association shall sit on the Board in an ex-officio capacity, without vote, to provide advice, consultation, expertise and participation, except in personnel matters, when the Executive Director and/or Chief Operations Officer shall be excluded.

SECTION 3. Election and Term of Office

The Full members of the Board shall be elected by the voting members of the Association. The elected Directors may, at their discretion, elect by a majority vote additional Directors from associate membership categories, up to but not to exceed 40 percent of the total Board. Commencing in 2009, all RNA Board appointees shall be appointed to three-year terms.

SECTION 4. Resignation

Any Director may resign at any time by giving written notice to the President of the Association. Such resignation shall take effect at the time of acceptance thereof as determined by the President of the Association.

SECTION 5. Removal

Any Director may be removed from such office by a two-thirds vote of the entire Board, then in office, at any regular or special meeting of the Board, for (1) violation of these Bylaws or (2) engaging in any other conduct prejudicial to the best interests of the Association. Such removal may occur only if the Director involved is first provided (1) with adequate notice of the charges against him or her in the form of a statement of such charges and of the time and place of the meeting of the Board scheduled for the purpose of hearing or considering such action, sent by certified or registered mail to the last known address of such Director, (2) an opportunity to appear before the Board or forward a written statement thereto in presentation of any defense of such charges, no sooner than thirty days after the sending of such notice, and (3) a written explanation as to (if such is the case) why such a Director is being removed from such office. In these regards, the Board shall act on the basis of reasonable and consistent criteria, always with the objective of advancing the best interests of the Association.

SECTION 6. Vacancies

A vacancy in the Board because of death, resignation, removal, disqualification, or otherwise, shall be filled by a majority vote of the remaining Directors then in office. At the next annual meeting the voting members of the Association shall elect a Director to serve for the unexpired term. Directors who are appointed, regardless of when in an unexpired term they are elected, are eligible for election to three additional three-year terms.

SECTION 7. Regular Meetings

A regular annual meeting of the Board of Directors shall be held each year, at such time, day, and place as shall be designated by the Board of Directors, for the purpose of transacting such business as may come before the meeting. The Board of Directors may, by resolution, provide for the holding of additional regular meetings.

SECTION 8. Special Meetings

Special meetings of the Board of Directors may be called at the direction of the President of the Association or by a majority of the voting Directors then in office, to be held at such time, day and place as shall be designated in the notice of the meeting.

SECTION 9. Notice

Notice of the time, day and place of regular meetings of the Board of Directors shall generally be set at least one month in advance.

Whenever under the provision of these Bylaws the Articles of Incorporation of the Association or statute, notice is required to be given to a Board member, member, committee members, or officer, such notice shall be given in writing, by first-class, certified or registered mail or by express delivery service, with postage or express delivery charges thereon prepaid, to such person at his or her address as it appears on the records of the Association. Such notice shall be deemed to have been given when deposited in the United States mail or delivered to the express delivery service. Notice may also be given by telegram, telephone, faxed or via electronic mail, and will be deemed given when received.

Any Director may waive notice of any meeting by a written statement executed either before or after the meeting. All waivers of notice shall be filed with the corporate records and made a part of the minutes of the meeting. Attendance at a meeting shall constitute a waiver of notice thereof, except where attendance is for the express purpose of objecting to the call or convening of the meeting. Notwithstanding any provision of this section to the contrary, a notice of the date, time, place or purpose of a regular or special meeting of the Board of Directors may be given by a form of electronic transmission consented to by the Director to whom the notice is given. Any such consent of a Director shall be revocable by the Director by written notice to the corporation. Any such consent shall be deemed revoked if:

- 1) the Association is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with such consent and

- 2) such inability becomes known to the Secretary or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Notice given by electronic transmission shall be deemed given:

- (a) if by facsimile telecommunication, when directed to a number at which the Director has consented to receive notice;

- (b) if by electronic mail, when directed to an electronic mail address at which the Director has consented to receive notice;

- (c) if by a posting on an electronic network together with separate notice to the Director of such specific posting when such notice is directed to an address at which the Director has consented to receive notice, upon the later of such posting or the giving of such separate notice; and

- (d) if by any other form of electronic transmission, when consented to by the Director. An affidavit of the Secretary or other agent of the corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

SECTION 10. Quorum

A majority of the whole of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If less than a quorum of Directors is present at such meeting, a majority of the whole of the Directors present may vote to adjourn the meeting to a future time without further notice. If the meeting is adjourned for more than twenty-four hours, notice of adjournment to another time and place shall be given prior to the newly scheduled meeting, to the Directors who were not present at the time of the adjournment.

SECTION 11. Manner of Acting

Except as otherwise expressly required by law, the Articles of Incorporation of the Association, or these Bylaws, the affirmative vote of a majority of the Directors present at any meeting of the Board of Directors, at which a quorum is present, shall be the act of the Directors. Each Director shall have one vote. Voting by proxy shall not be permitted.

SECTION 12. Written Consent

Action taken by the Board of Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by a majority of the Directors, as the case may be and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

SECTION 13. Telephone Meeting

Any one or more Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar telecommunications device that allows all persons participating in the meeting to hear each other and such participation in a meeting shall be deemed present at such meeting.

SECTION 14. Compensation

No Director shall receive any compensation for services rendered in such capacity, except that the Board may by resolution provide for the reimbursement of actual travel and lodging expenses incurred in the performance of the duties of the Director to the extent provided by such resolution.

ARTICLE VI. OFFICERS AND DUTIES

SECTION 1. Definitions

The officers of the Association shall be a President, two Vice Presidents, a Secretary and a Treasurer.

SECTION 2. Election and Length of Term

The officers of the Association, who must be on the Board of Directors, shall be installed at the annual meeting at which they are elected by the Board of Directors and shall hold office for a one-year term, which may be repeated without limit provided the officer is a duly elected Board member as noted in Article V, Section 2, until their respective successors shall have been duly elected and qualified. The Association President and one Vice President shall be elected from among the Full Members on the Board.

SECTION 3. Election of Officers

The officers of the Association shall be elected by the Board of Directors. Existing and newly installed Board members shall meet after the annual RNA business meeting for the purpose of electing officers.

SECTION 4. Resignation

Any officer may resign at any time by giving written notice to the President of the Association. Such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of acceptance thereof as determined by the President.

SECTION 5. Removal

Any officer may be removed at any regular or special meeting of the Board at which a quorum is present, whenever in the board's judgment the best interests of the Association would be served thereby but such removal will be without prejudice to the contract rights, if any, of the officer so removed.

SECTION 6. Succession and Vacancies of Officers

When a vacancy shall occur in any office, except that of President, the Board of Directors shall elect a member of the Association to fill such vacancy for the unexpired term. In the event the President is unable to serve, a Vice-President shall automatically become President. If the Vice-President cannot serve, then the Secretary shall become President.

SECTION 7. Duties

ITEM A. President

The President shall be the chief executive officer of the Association and, subject to the overall guidance and supervision of the Board, give active direction and control of the business and affairs of the Association. He or she will preside at all meetings of the Association or its Board of Directors and shall discharge all duties imposed upon him/her by the Association and by the Board. He or she may sign any deeds, mortgages, bond, contracts, or other instrument which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws or by statute to some other officer or agent of the Association. And in general, he/she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. He or she shall be a member ex-officio of all special committees of the Association.

ITEM B. Vice Presidents

A Vice President who is a Full Member, in the absence of the President or in the event of his or her inability or refusal to act, shall perform the duties of the President, and when so acting, shall have all the powers and restrictions of the President. The Vice Presidents shall perform such other duties as from time to time may be assigned by the President or Board. If both Vice Presidents are Full Members, the Board of Directors, by majority vote, shall elect the Vice President who shall serve as acting President.

ITEM C. Secretary

The Secretary shall record the minutes of both the Association and the Board in a minute book or other permanent form; prepare Association minutes for all members of the Association; oversee the Association's maintenance of its archives; and perform such other duties as are normally required of secretaries.

ITEM D. Treasurer

The Treasurer shall have custody of and be responsible for all funds and securities of the Association. He or she or a designee shall enter in the books of the Association a full and accurate account of monies received and paid out, and shall give and receive a receipt for the same. He or she or a designee shall pay out of the funds on hand all just debts and obligations of the Association as authorized by the Association or the Board. He or she or a designee shall deposit all monies in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with these Bylaws. He or she or a designee shall prepare an accurate written statement of the financial status of the Association for its annual meeting and for all regular meetings of the Board of Directors; and in general perform all the duties of the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board.

SECTION 8. Bonding

If requested by the Board, any person entrusted with the handling of funds or valuable property of the Association shall furnish, at the expense of the Association, a fidelity bond, approved by the Board, in such sum as the Board shall prescribe.

SECTION 9. Rules

In specific situations not covered by these Bylaws, Robert's Rules of Order shall be followed.

ARTICLE VII. OTHER COMMITTEES

SECTION 1. Creation

The Board of Directors may appoint other committees as needed and which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board in the management of the Association, providing that no such appointed committee shall have the authority of the Board in reference to amending, altering or repealing these Bylaws; electing, appointing or removing any member of any such committee or any Director or officer of the Association; amending the Articles of Incorporation of the Association; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Association; authorizing the voluntary dissolution of the Association or revoking proceeding thereof; adopting a plan for the distribution of the assets of the Association; or amending, altering or repealing any resolution of the Board which by its terms provides that it shall not be amended or altered by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board or any individual officer, of any responsibility imposed upon the Board by law.

SECTION 2. Term of Office

Each member of a committee shall continue as such until a successor is appointed, unless the committee shall be sooner terminated, or unless such members shall cease to qualify as a member thereof.

SECTION 3. Vacancies

Vacancies in the membership of committees may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 4. Quorum

Unless otherwise provided in the resolution of the Board, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 5. Rules

Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors. In addition, the Executive Director and/or Chief Operations Officer of the Association shall sit on all committee to provide advice, consultation, expertise and participation, except in personnel matters, when he or she shall be excluded.

ARTICLE VIII. MISC. PROVISIONS

SECTION 1. Fiscal Year

The fiscal year of the Association shall commence on July 1 and terminate on June 30 of the following year.

SECTION 2. Books and Records

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and committees having any of the authority of the Board, and shall keep at its registered or principal office a record giving the names and addresses of the members of the Board. The Board may, at its sole discretion, have the books and records reviewed at any other time. The result of any such reviews shall be presented to the Board and published for the members.

ARTICLE IX. INDEMNIFICATION

The Association shall indemnify each member of the Board of Directors, as described in Article V hereof, and each of its officers, as described in Article VI hereof, and its Executive Director or COO, for the defense of civil or criminal actions, suits, or proceedings to the fullest extent permitted by the laws of the State of Virginia. Every reference herein to a member of the Board or officer of the Association shall include every Board member and officer thereof and former Board member and officer. The right of indemnification herein provided shall be in addition to any and all rights to which any Board member, Executive Director or COO, or officer of the Association might otherwise be entitled and provisions hereof shall neither impair nor adversely affect such rights. The board, at its sole discretion, may further

authorize the indemnification of additional staff, provided it is covered by the organization's Directors and Officers Insurance.

ARTICLE X. AMENDMENTS

These Bylaws or the Constitution may be amended or repealed or new Bylaws adopted by an affirmative majority vote of the Board at any regular or special meeting of the Board, and a two-thirds vote of the Full Members present and eligible to vote at a regular or special meeting of the Association, provided that notice of each proposed amendment shall have been sent to each member at least 30 days prior to the date of the meeting. A provision of the Bylaws may be suspended by a three-fourths vote of the Full Members present and voting at any duly called meeting. An amendment shall be effective immediately after adoption unless a later effective date is specifically adopted at the time the amendment is enacted.

ARTICLE XI. CONFLICTS OF INTEREST

SECTION 1. Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

SECTION 2. Definitions

ITEM A. Interested Person

Any Director, principal officer, or member of a committee with governing Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

ITEM B. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- 1) An ownership or investment interest in any entity with which the 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 or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 2,

Item B, a person who has a financial interest may have a conflict of interest only if the appropriate governing Board or committee decides that a conflict of interest exists.

SECTION 3. Procedures

ITEM A. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement.

ITEM B. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

ITEM C. Procedures for Addressing the Conflict of Interest

- 1) An interested person may make a presentation at the governing Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- 2) The chairperson of the governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- 3) After exercising due diligence, the governing Board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- 4) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing Board or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.