

**CONFLICT OF INTEREST POLICY  
OF  
BETTER HEALTH TOGETHER**

Better Health Together (BHT), is nonprofit corporations duly organized under the laws of the State of Washington, and is organized and operated exclusively for charitable, educational and scientific purposes within the meaning of Internal Revenue Code Section 501(c)(3), rather than for the personal and private benefit of any person; and

The BHT Board seeks to ensure that all persons serving on the BHT Board understand the nature and implications of these principles, and that such persons manifest an understanding and acceptance of, and commitment to, these principles;

The BHT Board hereby adopts the following Conflicts of Interest Policy to apply to the BHT Board. Definitions for capitalized terms can be found in Appendix 1 to this policy.

**SECTION 1: DISCLOSURE OF DISCLOSABLE INTEREST AND DETERMINATION OF CONFLICT OF INTEREST**

- 1.1 Disclosure. All Interested Persons, Board members and BHT shall disclose Disclosable Interests and all potential Conflicts of Interest, as follows:
  - (a) Advance Notice to Executive Committee: If possible, written notification to the Executive Committee prior to Board deliberation or action, with request to review and make a recommendation to the Board; or
  - (b) Oral Notice: If written disclosure cannot be provided in advance (*e.g.*, in situations where the Interested Person, other Board members or staff members do not realize the nature of the transaction or arrangement to be deliberated or acted upon until the Board meeting has begun), the Board should be informed orally.
- 1.2 Recusal by Interested Person. Until a determination is made on the Conflict of Interest, the Interested Person may voluntarily recuse themselves from deliberations or action by the Board or committee.
- 1.3 Determination of Conflict of Interest (Executive Committee, Section 1.1(a)). The Executive Committee shall review the disclosure material, and may discuss the Disclosable Interest and potential Conflict of Interest with the Interested Person. The Executive Committee shall report to the Board prior to the Board's deliberation on the proposed transaction or arrangement for purposes of the Board's determination of whether a Conflict of Interest exists, with the Executive Committee making a recommendation to the Board about the matter. The Board shall consider the Executive Committee's recommendation when making their determination on the issue. After deliberation and consideration of any recommendation of the Executive Committee, the Board shall determine whether a Conflict of Interest exists for purposes of the the transaction or arrangement at issue, which determination shall be made by majority vote of the Board, excluding the Person subject to the Conflict of Interest deliberations. The Interested Person will not participate in deliberations or discussion, except only to answer questions the Board have on the potential Conflict of Interest.

- 1.4 Determination of Conflict of Interest (Oral Notice, Section 1.1(b)). The Board shall review the information and determine whether a Conflict of Interest exists. The Interested Person shall be recused from the discussions (except only to provide explanation as may be requested by the Board) and the vote concerning the determination.
- 1.5 Effect of Determination. The Board's determination about a Conflict of Interest is not appealable and is binding on the Board and the Interested Person. The Interested Person shall not participate in any deliberations or vote regarding the transaction or arrangement at issue; however, they may provide information upon request. The Board can approve transactions only if they are fair, reasonable and in the best interest of BHT.

## **SECTION 2: DOCUMENTATION OF DISCLOSURE AND PROCEDURES**

Board meeting minutes must record disclosures, determinations, recusals, deliberations, and voting outcomes under this policy.

## **SECTION 3: COMPENSATION**

Board members receiving compensation cannot vote on matters relating to their own compensation, but they may provide information upon request.

## **SECTION 4: PERIODIC REVIEW**

The Board will periodically review implementation of this policy and ensure BHT operates exclusively for charitable purposes.

## **SECTION 5: WRITTEN ASSENT BY MEMBERS**

- 6.1 Written Acceptance. At least annually, each Board member shall sign a written statement in the form approved by the Board affirming they:
- (a) received and read this policy;
  - (b) agree to comply;
  - (c) understand it applies to all committees with Board-delegated powers;
  - (d) understand BHT's tax-exempt purpose.
- 6.2 Failure to Disclose Disclosable Interests. If it is determined at any time that an Interested Person has negligently or intentionally failed to disclose a Disclosable Interest, the Board may consider the imposition of sanctions or exclusion from Board actions, in the Board's discretion.

Appendix A  
To Conflict of Interest Policy  
Better Health Together

Defined Terms

- 1.1 Interested Person. An “**Interested Person**” shall mean any Board member, officer or committee member, who (i) has a direct or indirect Disclosable Interest, or (ii) may develop a Disclosable Interest at any time during the duration of the proposed transaction or arrangement. All Disclosable Interests are subject to this Policy and must be disclosed by an Interested Person.
- 1.2 Disclosable Interest. A “**Disclosable Interest**” shall mean and include the following with respect to an Interested Person and such Interested Person’s family members and affiliates (as defined below):
- (a) An ownership, investment, or other financial interest in any organization that benefits by a decision of the Board;
  - (b) A Compensation Arrangement (as defined below) with the Corporation;
  - (c) A potential ownership or investment interest in, or Compensation Arrangement with, any organization or individual with which the Corporation is negotiating a proposed action or transaction or that may otherwise benefit from a decision of the Board;
  - (d) Board, committee service, officer or employment position at an organization that may benefit by a decision of the Board;
  - (g) Consulting for a BHT partner, on behalf of a BHT organization who will benefit by a decision of the Board; and
  - (h) Any other affiliation that could create a potential or actual conflict related to Board decisions.

For purposes of clarity, the term “family” means and includes the spouse or domestic partner of the Interested Person, as well as all relatives of the Interested Person by blood, marriage or legal adoption, and all of their issue, their issue’s spouses and relatives by blood, marriage or legal adoption. Without limiting the generality of the foregoing, parents, siblings, grandparents, grandchildren, aunts, uncles, nieces, nephews, greatgrandchildren, greatgrandparents and similar designations are included within the term “family.” For purposes of further clarity, the term “affiliate” means any organization in which the Interested Person or any family member of an Interested Person has a direct or indirect ownership interest or over which such person or persons exercise any control, directly or indirectly, whether through ownership, management or contract.

The following is a non-exhaustive list of examples of Disclosable Interests that are subject to this policy:

- (i) service on the board of an organization that has applied for funding with the Corporation;
  - (ii) serving as a consultant or contractor for an organization that has applied for funding with the Corporation;
  - (iii) A family member of an Interested Person serving in any of the foregoing roles.
- 1.3 Compensation Arrangement. A “**Compensation Arrangement**” shall mean any agreement, contract, or understanding pursuant to which a person may or shall receive, either directly or

indirectly, money or property from another person or organization, irrespective of whether such money or property is paid in consideration for the performance of services or the provision of other value.

- 1.4 Conflict of Interest. A “**Conflict of Interest**” shall mean, with respect to a matter for deliberation or action by the Board or any committee, any circumstance under which an Interested Person, by virtue of a Disclosable Interest, may be influenced or may appear to be influenced, either in whole or in part, by any purpose or motive other than the success, best interest, and well-being of the Corporation and the achievement of its exempt charitable, educational and scientific purposes.
- 1.5 Corporation or BHT. The terms “Corporation” or “BHT” mean and refer to Better Health Together, a Washington nonprofit corporation.