

# CONFLICT OF INTEREST POLICY

OF

**New York Medical Equipment Providers Association**

**A New York Corporation (the "Corporation")  
Incorporated under the Not-for Profit Corporation Law of the State of New York**

## ARTICLE ONE

### Purpose

The purpose of this Conflict of Interest Policy (the "Policy") is to protect the Corporation when it is considering a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation, or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state or federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

## ARTICLE TWO

### Conflict of Interest Policy

2.1. Duty to Disclose. Any director, officer or key employee who has an interest in a contract or other transaction presented to the Board of Directors (the "Board") or a committee thereof for authorization, approval or ratification (the "interested party") shall make a prompt and full disclosure of his/her interest to the Board or committee prior to its acting on such contract or transaction. Such disclosure shall include any relevant and material facts known to such interested party about the contract or transaction, which might reasonably be construed to be adverse to the Corporation's interest.

2.2. Determination by Board. Upon such disclosure, the Board, or the committee, as the case may be, shall determine by majority vote (excluding the vote of the possible interested party) whether a conflict of interest exists, or can be reasonably construed to exist. If a conflict is deemed to exist, the interested party shall not vote on, nor use his/her personal influence on, nor participate (other than to present factual information or respond to questions) in, the discussions or deliberations with respect to such contract or transactions. The interested party may be counted in determining whether a quorum is present but may not be counted when the Board or a committee of the Board takes action on the transaction. The minutes of the meeting shall reflect the disclosure made, the vote thereon, the abstention from voting and participation, and whether a quorum was present.

2.3. Violations of Policy. If the Board has reasonable cause to believe that an interested party has failed to disclose an actual or possible conflict of interest to the

Board, it shall inform such person of the basis for its belief, and afford him/her the opportunity to explain the alleged failure to disclose such conflict of interest. If the Board determines that there has been a failure to make the required disclosure, it shall take such disciplinary and corrective action as it deems appropriate.

### **ARTICLE THREE**

#### **Compensation**

3.1. The compensation to be paid to any employee of the Corporation shall be determined by majority vote of the Board. A director who is also serving as an employee of the Corporation shall not be entitled to vote in determining the compensation to be paid to any employee of the Corporation, and the amount of compensation to be paid to all of the employees of the Corporation shall instead be determined by majority vote of the remaining members of the Board.

3.2. The amount of compensation to be paid to any employee of the Corporation shall not exceed an amount which is reasonable and commensurate with his/her qualifications, duties and working hours, and such compensation shall be comparable to that ordinarily paid or provided to individuals in similar positions.

3.3. No compensation shall be paid to any director of the Corporation, solely by reason of serving on the Board. Any compensation paid to a director of the Corporation shall only be in his/her capacity as an employee of the Corporation.

### **ARTICLE FOUR**

#### **Acknowledgment of Policy**

Each director, principal officer or member of a committee of the Board shall, upon his/her appointment to such position, sign a statement that he/she has received a copy of this Policy, has read and understands the Policy, and will comply with all of the provisions of the Policy.

The undersigned hereby certifies that the foregoing Conflict of Interest Policy is the current Conflict of Interest Policy of this organization, as adopted by the Board of Directors.

This Conflict of Interest Policy shall be reviewed annually at the Annual Board Meeting.

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Carol Napierski  
Executive Director