

NEW ENGLAND SPORT FOUNDATION, INC.

CONFLICT OF INTEREST POLICY

ADOPTED BY THE BOARD: OCTOBER 1, 2025

ARTICLE I

PURPOSE

The purpose of this Conflict of Interest Policy is to protect the integrity and tax-exempt status of New England Sport Foundation, Inc. (NESF) by ensuring that decisions are made in the best interests of the organization's operations and not influenced by personal interests. NESF wishes to avoid any actual or potential conflicts of interest in NESF's operations and to follow best practices recommended by the Internal Revenue Service with respect to any transactions involving director or officer compensation or other potential conflicts.

This policy applies whenever any transaction or decision might benefit the private interest of an Interested Person of NESF or might result in a possible self-dealing or an excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

ARTICLE II

DEFINITIONS

1. **Interested Person:** Any director, officer, or committee member with or without board-delegated powers who has a direct or indirect financial interest.
2. **Financial Interest:** A person has a financial interest if they have, directly or indirectly, through business, investment, or family:
 - a) An ownership or investment interest in any entity with which the organization has a transaction or arrangement;
 - b) A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement; or
 - c) A potential ownership or investment interest or compensation arrangement with any entity or individual with which the organization is negotiating a transaction or arrangement.

Compensation can include any direct or indirect payment, financial interest, or personal gain made to an Interested Person, excluding those made through the organization.

ARTICLE III

PROCEDURES

1. **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 board-delegated powers considering the proposed transaction or arrangement.
2. **Determining Conflict:** After disclosure of the potential conflict and all material facts, and after any discussion with the Interested Person, he/she shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. All board members (or the remaining board members) shall decide if a conflict of interest exists.
3. **Procedures for Addressing the Conflict of Interest**
 - a) An interested person may make a presentation at the 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.
 - b) The President of the board or committee may, if appropriate, appoint a special committee to investigate alternatives to the proposed transaction or arrangement. Any special committee shall be voted upon by all board members (or the remaining board members). The special committee shall be composed entirely of nonmembers of the board or committee.
 - c) After exercising due diligence, the special committee shall determine whether NESF 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.
 - d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the special committee shall determine whether the transaction or arrangement is in NESF'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
4. **Recusal:** The interested person shall leave the meeting during discussion and vote on the transaction or arrangement.
5. **Violations of the Conflicts of Interest Policy**
 - a) If the board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis

for such belief and afford the member an opportunity to explain the alleged failure to disclose.

- b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, which may include forfeiture of all fundraising and exclusion from future participation in NESF.

ARTICLE IV

VIOLATIONS

If the Board has reasonable cause to believe a member has failed to disclose an actual or possible conflict, it shall inform the member and allow an opportunity to explain. If the explanation is unsatisfactory, appropriate disciplinary action may be taken, which may include forfeiture of all fundraising and exclusion from future participation in NESF.

ARTICLE V

ANNUAL STATEMENTS

Each director, officer, and committee member shall annually sign a statement affirming that they:

1. Has received a copy of this Conflicts of Interest policy,
2. Has read and understands the policy,
3. Agrees to comply with it, and
4. Understands NESF is a non-profit charity and, in order to maintain its federal tax exemption status, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes

ACCEPTANCE

By acceptance, the Member acknowledges and agrees to the terms set forth in this Agreement and agrees to notify the Board of any known Conflicts of Interest they are made aware of.