# CONFLICT OF INTEREST POLICY

Conflicts of interest can arise in many different situations, the primary two being a transaction between USSEC and the Director, employee or contractor or a family member of the employee or contractor, or a transaction between USSEC and an entity in which the employee or contractor has a personal interest. A conflict of interest exists when a Director, an employee or contractor has a personal interest in the outcome of USSEC’s action, or where USSEC’s action will give the interested Director, employee or contractor a direct or indirect business advantage or pecuniary benefit not available to other USSEC employees or contractors.

For purposes of this policy statement, a Director, an employee or contractor shall have no personal interest in a contract or other action of USSEC if any of the following class of persons would derive from the proposed action a direct or indirect business advantage or pecuniary benefit not available to other USSEC employees or contractors, in an amount different from that accruing to producers generally:

A. The Director, Employee or Contractor

B. An entity in which the Director, Employee or Contractor is a shareholder

C. An entity in which the Director, Employee or Contractor is a Board member

D. A member of the Director’s Employee’s or Contractor’s immediate family.

Immediate family shall mean the Director’s Employee’s or Contractor’s spouse, child or child's spouse, siblings and parents.

Directors, Employees and Contractors shall act in the best interests of USSEC while serving or employed. Proper administration of all USSEC resources is important to the continued success of the organization. As such, Directors, Employees and Contractors shall avoid any situation where there is a potential conflict of interest or an appearance of impropriety. Contracts or other actions where a Director, an Employee or Contractor has a personal interest are strongly discouraged.

If, however, USSEC wishes to discuss a contract or other proposed action involving a Director, an Employee or Contractor or entity in which the Director, Employee or Contractor has a personal interest, USSEC shall strictly adhere to the following policy:

A. The interested Director, Employee or Contractor must fully disclose to USSEC’s Officers personal interest in the proposal.

B. The interested Director, Employee or Contractor may explain the benefits of the proposal to USSEC’s Officers and participate in some discussion of the proposal. However, the Director, Employee or Contractor must then leave the meeting to allow USSEC’s Officers to discuss the proposal without the presence of the interested Director, Employee or Contractor.

C. USSEC’s Officers must consider whether the proposal is fair and reasonable to USSEC and must consider the proposed relationship objectively, as if the interested Director, Employee or Contractor would not benefit from the relationship. USSEC’s Officers shall avoid all appearances of impropriety.

**(approved by USSEC Board of Directors, 2/28/2017)**