



the fund for north Bennington

a not-for-profit VERMONT CORPORATION

P. O. BOX 803, NORTH BENNINGTON

VERMONT 05257

Conflict of Interest Policy

The Fund for North Bennington, Inc. (“The Fund”) recognizes the need for integrity and accountability in the management of its affairs. The Fund is responsible to its donors and community to assure that resources are wisely expended in support of The Fund’s mission.

This policy is intended to protect the Fund’s interest when it is contemplating entering into a transaction that might benefit the private interest of an officer or director, or when the transaction involves another organization affiliated with a Trustee. The policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to non-profit and charitable corporations. The policy applies to all Transactions involving The Fund, including but not limited to awarding grants, contracting for goods or services, and engaging in real property transactions. For purposes of the policy, “Transaction” means any transaction or arrangement in which money and/or other valuable consideration, including substantial gifts or favors, are exchanged.

1. In any instance in which a Transaction would involve a Trustee, a member of his or her family (to the third degree of relationship) or a business affiliated with a Trustee or his family:
 - A. The Trustee may make a presentation to the Board but shall leave the room during any discussion or vote by the Board; and
 - B. The Trustee shall not participate in any way in the making of the decision; and
 - C. The disinterested Trustees shall only approve the Transaction if, after exercising due diligence, the disinterested Trustees determine:
 - i. That the Fund cannot with reasonable effort obtain a more advantageous Transaction that would not give rise to a conflict of interest; and
 - ii. The Transaction is in the Fund's best interest and for its own benefit; and
 - iii. The Transaction is fair and reasonable to the Fund.

2. In any instance in which a Transaction would involve a non-profit, tax-exempt or governmental organization in which a Trustee or member of his or her family is an officer or director, such Trustee shall disclose to the other Trustees the nature of his or her affiliation. The disclosure shall be noted in the Fund's minutes. The affiliated Trustee may participate in discussions but shall not vote on the Transaction.
3. In any instance in which a Transaction would involve an individual or organization in which a Trustee or a member of his or her family has an on-going business or professional relationship, such Trustee shall disclose the nature of his or her affiliation to the other Trustees. The disclosure shall be noted in the Fund's minutes. The affiliated Trustee may participate in discussions, but shall not vote on the Transaction.
4. Nothing in this policy shall apply to business or professional services donated to the Fund by a Trustee in which the only compensation paid is reimbursement of actual out-of-pocket costs reasonably and necessarily incurred by the Trustee in the course of providing the services.

Secretary's Certificate

The Board of Trustees of The Fund for North Bennington, Inc. adopted the foregoing policy on March 1, 2006.

Christine Graham
Clerk of Bd.