

HUMBOLDT SWIM CLUB, INC.
STATEMENT OF ETHICS AND CONFLICT OF INTEREST POLICY

Section 1. STATEMENT OF ETHICS

Humboldt Swim Club, Inc. (“Humboldt Swim Club”) seeks to promote a culture of ethical conduct within its organization and throughout its membership. This Statement of Ethics and Conflict of Interest Policy (“Conflict of Interest Policy”) are intended to reflect certain organizational values, including self-improvement and self-motivation, teamwork, and accountability.

Section 2. CONFLICT OF INTEREST POLICY PURPOSE AND COVERED INDIVIDUALS

Humboldt Swim Club’s Board of Directors, contractors, officials, and employees (“Covered Individuals”) have the responsibility of administering the affairs of Humboldt Swim Club honestly and prudently and of exercising their best care, skill, and judgment for the benefit of Humboldt Swim Club. Those persons shall exercise good faith in all activities and transactions involved in their duties, and shall not use their positions within Humboldt Swim Club, including knowledge gained therefrom, for their personal benefit.

Humboldt Swim Club requires that Covered Individuals recognize and avoid activities, transactions, relationships, or investments that involve, might appear to involve, or could result in a potential conflict of interest. Where reasonable, contractors shall be required to comply with this Conflict of Interest Policy in their written contracts.

Section 3. CONFLICT OF INTEREST DEFINED

Humboldt Swim Club defines a conflict of interest as an interest or relationship, direct or indirect, between a Covered Individual and any of the following:

1. Relatives, friends, close associates, and other employees.
2. Agencies, organizations, and associations that affect the operations of Humboldt Swim Club.
3. Donors and other persons or organizations supporting Humboldt Swim Club.
4. Persons and organizations supplying goods to the Humboldt Swim Club.
5. Persons and organizations from whom Humboldt Swim Club leases property and/or equipment.
6. Persons and organizations with whom Humboldt Swim Club is dealing or planning to deal in connection with the gift, purchase, or sale of real property or other property.
7. Competing or affinity organizations.

Section 4. DISCLOSURE OF CONFLICT OF INTEREST

Each Covered Individual shall annually sign a statement that affirms such individual:

1. Has received a copy of this Conflict of Interest Policy;

2. Has read and understands this Conflict of Interest Policy;
3. Has agreed to comply with this Conflict of Interest Policy; and
4. Understands that Humboldt Swim Club is a charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Disclosures of potential or actual conflicts of interest shall be reported in writing to the Board of Directors. The Board of Directors will refer potential conflicts of interest to the Ethics Committee in writing, providing the names, dates and any pertinent information describing the potential conflict. The Ethics Committee shall be composed of at least two board members and up to two general membership representatives, and not include anyone that is named in the potential conflict.

Board and committee minutes must include the following when a potential conflict of interest is involved in a meeting discussion:

1. (a) The name(s) of the person(s) who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest (b) The nature of the interest; (c) Any action taken to determine whether a conflict of interest was present; and (d) The Ethics Committee's decision as to whether a conflict of interest in fact existed.
2. (a) The name(s) of the person(s) who were present for discussions and votes relating to the transaction or arrangement; (b) The content of the discussion, including any alternatives to the proposed transaction or arrangement; and (c) A record of any votes taken in connection with the proceedings.

Section 5. DISCLOSURE PROCEDURE

All disclosures of potential conflicts of interest will be presented to the Ethics Committee for review. The Ethics Committee shall document the review of any disclosures made by demonstrating in the meeting minutes that each potential conflict of interest has been considered. The Ethics Committee shall draft a memorandum to be placed in the Ethics Committee's file containing the evaluation of any disclosure made.

After disclosure of the conflict of interest or potential conflict of interest and all material facts, and any necessary discussion with the interested person(s), the Ethics Committee shall decide if a conflict of interest exists and if there are mitigating measures that can be implemented to allow the Humboldt Swim Club to proceed with the transaction or activity. If a member of the Ethics Committee themselves has a conflict of interest or potential conflict of interest, the member shall recuse themselves from any discussion of the conflict of interest.

If the Ethics Committee determines that a Covered Individual should make certain steps or actions to manage or avoid a conflict of interest, the Ethics Committee shall advise the Board of any actions that should be taken in regard to the actual or potential conflict of interest. The Board shall consider the Ethics Committee's recommendations and make a finding regarding the actual or potential conflict of interest.

A transaction or activity in which a Covered Individual has a conflict of interest may only be undertaken if, at a minimum, the following occurs:

1. The conflict of interest is fully disclosed to the Ethics Committee;
2. The Ethics Committee has reviewed the disclosure and considered alternatives to the proposed transaction or activity;
3. The Ethics Committee shall determine whether the transaction or activity is for the benefit of Humboldt Swim Club, and whether it is fair and reasonable;
4. In conformity with the above determination, the Ethics Committee shall inform the Covered Individual, the Board, and any relevant committee in writing whether: (a) there is a conflict of interest that should preclude Humboldt Swim Club from entering into the transaction or performing the activity; or (b) there is a mitigating measure that may be implemented to alleviate concerns regarding the potential conflict of interest; and
5. The person with the conflict of interest must be excluded from the discussion and approval of such transaction or activity.

A Covered Individual who has an actual or potential conflict of interest is prohibited from participating in any vote in which the actual or potential conflict is implicated.

Section 6. FAILURE TO DISCLOSE CONFLICT OF INTEREST

Covered Individuals must report potential violations of this Conflict of Interest Policy to the Ethics Committee. Humboldt Swim Club strictly prohibits any retaliation for reporting any alleged violation(s) of this Conflict of Interest Policy.

The Ethics Committee shall investigate any alleged violations of this Conflict of Interest Policy. If the Ethics Committee has reasonable cause to believe a Covered Individual has failed to disclose either an actual conflict of interest or a potential conflict of interest, or if the Ethics Committee finds that a Covered Individual did not abide by an Ethics Committee directive following a disclosure, it shall inform the Covered Individual of the basis for such belief and afford said Covered Individual the opportunity to explain the alleged failure to disclose or failure to abide by a directive.

Once the Ethics Committee reviews the Covered Individual's response, it will generate a report of its investigation and findings, and submit said report to all interested parties, including the Covered Individual, as well as the President(s) and the Board of Directors. If the Ethics Committee determines that the Covered Individual has failed to disclose an actual or potential conflict of interest, or failed to abide by an Ethics Committee directive, it will recommend appropriate and reasonable disciplinary and corrective action to the Board. This recommendation can include, but is not limited to, retroactive disclosure and/or removal from the Covered Individual's leadership position(s) within the Humboldt Swim Club. The severity of the violation is to correspond with severity of the recommended disciplinary or corrective action.

If a member of the Ethics Committee is alleged to have violated this Conflict of Interest Policy, the President(s) may retain legal consultation.

Section 7. CONTACT INFORMATION

The Humboldt Swim Club Board of Directors is responsible for the enforcement of this Conflict of Interest Policy. All inquiries, questions, or concerns shall be referred to the Humboldt Swim Club Board of Directors.