

CONFLICT OF INTEREST POLICY FOR RATIONALMEDIA FOUNDATION BOARD MEMBERS, OFFICERS, AND OFFICIALS

PURPOSE: The RationalMedia Foundation is a 501(c)(3) tax-exempt non-profit whose board members, officers, and officials are chosen to to serve, in the public's interest, the purposes to which it is dedicated. The purpose of this policy is to protect the RationalMedia Foundation's (Foundation) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Foundation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to 501(c)(3) nonprofit organizations.

Policy: Whenever an officer or trustee of the Foundation has a personal or financial interest in any matters coming before the RationalMedia Foundation's Board of Trustees, the affected person shall a) fully disclose the nature of the interest and b) recuse themselves from any discussion, lobbying, or voting on the matter for which they have an interest. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested trustees determine that it is in the best interests of the corporation to do so. In such cases, the minutes of meetings where such votes are taken and discussions occur are required to disclosure and abstention, and must also include an explicit rationale for the Board's approval.

Definitions:

- **Interested Persons:** Any trustee, principal officer, or official with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

- **Financial Interest:** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement,
 - A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement, or
 - A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Accordingly, a person who has a financial interest may have a conflict of interest only if the Board of Trustees decides that a conflict of interest exists or if the individual determines that one exists or that one is implied.