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APPENDIX A

Potential Conflict of Interest Disclosure Statement

Please complete the questionnaire below, indicating any potential conflicts of interest. If you answer "yes" to any of the questions, please provide a written description of the details of the specific action, policy or transaction in the space allowed. Attach additional sheets as needed.

A conflict may exist where an interested party directly or indirectly benefits or profits as a result of a decision, policy or transaction made by FREE. The interested party would not have obtained this benefit were it not for his/her relationship with FREE.

Has FREE proposed to contract or contracted to purchase or lease goods, services, or property from you or from any of your relatives or associates?

Board members/ED only: Has FREE offered employment to you or to any of your relatives or associates?

Have you used your relationship with FREE to obtain a contract, employment for yourself or any of your relatives or associates, from a person or entity that does business with FREE?

Have you or any of your relatives been provided use of the facilities, property, or services of FREE in a way that is not available to others who benefit from the organization's services?

Have you, a relative or an associate been in a position to benefit financially from an action, policy or transaction made by FREE?

Other issues or situations not addressed above

Name (Please Print)

Signature

Date: _____

Procedures for Addressing Conflicts of Interest

The following procedures shall apply:

- An interested party who has a potential conflict of interest with respect to a proposed action, policy or transaction of the corporation shall not participate in any way in, or be present during, the deliberations and decision-making vote of CCA. However, the interested party shall have an opportunity to provide factual information about the proposed conflict and/or action, policy or transaction. Also, the board may request that the interested party be available to answer questions.
- The disinterested members of the board may approve the proposed action, policy or transaction upon finding that it is in the best interests of CCA. The board shall consider whether the terms of the proposed action, transaction or policy are fair and reasonable to CCA and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a disinterested party.
- Approval by the disinterested members of the board shall be by vote of a majority of directors in attendance at a meeting at which a quorum is present. An interested party shall not be counted for purposes of determining whether a quorum is present, or for purposes of determining what constitutes a majority vote of directors in attendance.
- The minutes of the meeting shall reflect that the conflict disclosure was made to the board, the vote taken and, where applicable, the abstention from voting and participation by the interested party. Whenever possible, the minutes should frame the decision of the board in such a way to provide guidance for consideration of future conflict of interest situations.

Violations of Conflict of Interest Policy

If the board or executive director (for consultants/volunteers) has reason to believe that an interested party has failed to disclose a potential conflict of interest, it shall inform the person of the basis for such belief and allow the person an opportunity to explain the alleged failure to disclose.

A conflict of interest exists only when the Board of Directors decides there is a conflict.

III. Disclosure of Potential Conflicts of Interest

An interested party is under a continuing obligation to disclose any potential conflict of interest as soon as it is known or reasonably should be known.

- Board members and the executive director complete an Affirmation of Compliance form (Appendix B) when they join the board or staff and annually thereafter.
- Any interested party completes the Disclosure of Potential Conflict of Interest Statement (Appendix A) to disclose any potential conflicts of interest.

Disclosure Statements and Affirmations of Compliance will be submitted as follows:

- For board members, the disclosure statements will be provided to the board president.
- The president's disclosure statement shall be provided to the secretary of the board.
- In the case of staff and consultants/volunteers, the disclosure statements shall be provided to the executive director.
- In the case of the executive director, the disclosure statement shall be provided to the president of the board.

The secretary of the board or the person designated by the board as the reviewing official is responsible for bringing potential conflicts to the attention of the board or the executive director. The secretary of the board shall file copies of all disclosure statements with the official corporate records of CCA.

IV. Procedures for Review of Potential Conflicts

Whenever there is reason to believe that a potential conflict of interest exists between the Cannabis Cultural Association, Inc. and a board member or the executive director, the board shall determine the appropriate response. The designated reviewing official has a responsibility to bring a potential conflict of interest to the attention of the board for action at the next regular meeting of the board or during a special meeting called specifically to review the potential conflict of interest. CCA shall refrain from acting until such time as the proposed action, policy or transaction has been approved by the disinterested members of the board.

Whenever there is reason to believe that a potential conflict of interest exists between the CCA and a consultant/volunteer, the executive director shall determine the appropriate response. The executive director shall report to the board chair the results of any review