

**CONFLICTS OF INTEREST POLICY
ACKNOWLEDGMENT FORM**

I, _____, am a _____ of the American
Name of Covered Person Title of Covered Person

Littoral Society, Inc. (“ALS”), a New Jersey nonprofit organization, and such as, I affirm the following:

1. I have received a copy of the attached Conflicts of Interest Policy of ALS;
2. I have read and understand said policy;
3. I agree to comply with said policy;
4. I understand that ALS is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more its tax-exempt purposes.

Dated: _____

Name of Covered Person

**Conflict of Interest Policy of
American Littoral Society, Inc.**

(adopted _____, 2006)

1. The members of the Board of Trustees, officers, executive staff, advisor council members and committee members (“Covered Persons”) of the American Littoral Society, Inc. (“ALS”) are encouraged to play active roles in the community by serving as board members or otherwise being involved with a wide spectrum of not-for-profit organizations. It is understood that these individuals are likely to be involved with for-profit entities as well. As a consequence, potential conflicts of interest, or the appearance of conflicts, will inevitably arise. It is ALS’ policy to deal with these conflicts openly and fairly, through the adoption of, and adherence to, this Conflict of Interest Policy (“the Policy.”)

2. Covered Persons owe a fiduciary duty to ALS that includes a broad duty of loyalty and trust. They have the responsibility to administer the affairs of ALS honestly and prudently and to exercise their best care, skill and judgment for the sole benefit of ALS. A conflict of interest may exist where there is a direct or indirect relationship or obligation, either personal or business or voluntary in nature, which may either impair, or appear to impair, the independence or judgment of a Covered Person in the exercise of his or her duties to ALS.

3. Conflicts of interest may include, but are not limited to, the following: Covered Persons being employed by or doing business with, organizations applying for, or receiving, a grant from ALS; Covered Persons serving as trustees, directors or uncompensated officers of such organizations; immediate family members of Covered Persons serving such organizations in a similar capacity; Covered Persons or their immediate family, serving as an officer, trustee,

director, partner, employee or controlling stockholder of an organization with which ALS has a business relationship.

4. A Covered Person is expected to disclose any possible or apparent conflict prior to the making of a related grant or business decision, as well as disclosing these possible or apparent conflicts on an annual basis through the disclosure form. In the case of a member of the Board, the advisory council or a committee, where the conflict is self-evident, or if upon consideration by the remaining Covered Persons, a potential conflict of interest is determined to exist, the interested Covered Person shall abstain from participating in the vote or discussion on the matter. However, another member of the Board, council or committee may request the participation of the interested Covered Person to provide information about the matter under consideration, which shall be put to a vote of the remaining Covered Persons. In the case of a conflict involving executive staff, that staff person will not prepare any materials for the Board, council, or committee, but may participate in the discussion of that body in the same manner as set forth in this section for other Covered Persons.

5. ALS may, pursuant to Section 12 of its bylaws, pay reasonable compensation fixed by the Board of Trustees for the services of a Trustee, officer, employee, committee member or other person connected with ALS rendered to or for ALS in furtherance of any of its organizations purposes. The decision to remunerate such a person for such services must be approved by a majority of the other Trustees, in advance, based on appropriate data. However, reasonable and customary fees may be paid to a Board member serving as ALS' legal counsel without prior board approval. These fees shall be reported annually to the board.

6. For the purposes of the Policy, "immediate family" of a covered individual includes a spouse, domestic partner, parent, sibling, child or any other relative residing in his or

her household.

7. All information provided or produced in complying with or enforcing this Policy may be shared with the officers and directors of ALS but shall be kept otherwise confidential, except when ALS' best interest would be served by disclosure as determined by the President in consultation with the Chair. Such disclosure will be made only after first informing those concerned, to the extent possible.

8. Violations of the Conflicts of Interest Policy

a. If the Board has reasonable cause to believe a Trustee, officer or executive staff member has failed to disclose actual or possible conflicts of interest, it shall inform such person of the basis for such belief and afford him or her an opportunity to explain the alleged failure to disclose.

b. If, after hearing the potential conflicted person's response and after making further investigation as warranted by the circumstances, the Board determines the he or she has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

c. If the advisory council or any committee of ALS has reasonable cause to believe that one of its members failed to disclose actual or possible conflicts of interest, it shall refer the matter to the Board for further action consistent with this policy.

9. Records of Proceedings. The minutes of the Board, the advisory council or any committee shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was

present, and the Board's, council's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement and a record of any votes taken in connection with the proceedings.

10. Annual Statements. Each Covered Persons shall annually sign a statement which affirms such person:

a. Has received a copy of the conflicts of interest policy,

b. Has read and understands the policy,

c. Has agreed to comply with the policy, and

d. Understands ALS is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.