

American Platform Tennis Association, Inc.

Conflict of Interest Policy

Article I

Purpose

We believe the trust and confidence of our members, donors, and other supporters depends on our continuing to maintain the highest standards of ethical and lawful conduct. It is the Corporation's position that all of individuals involved with its mission must comport themselves so that there is not even the appearance of conflict between personal interests and those of Corporation.

This memorandum is intended to assist in understanding the Corporation's policies and practices relating to business transactions, to clarify principles that must guide its conduct, and to provide guidance in resolving ethical and legal questions that might arise. The purpose of the Conflict of Interest Policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director or employee of the Corporation.

The policy is designed to ensure that all institutional decisions are made solely to promote the best interests of the Corporation without favor or preference based on personal considerations, and to provide the highest ethical conduct. This policy is intended to supplement, but not replace, any applicable New York State or federal laws governing conflicts of interest applicable to nonprofit corporations.

Article II

Definitions

1. Definitions.
 - a. A "Conflict of Interest" is any circumstance described in Part II.2 of this Policy.
 - b. A "Responsible Person" is any person serving as an officer, employee, committee member, or Board of Director member.
 - c. A "Family Member" is a Responsible Person's spouse, domestic partner, parent, child, or spouse of such child, brother, or sister.
2. Conflict of Interest Defined.

For purposes of this policy, the following circumstances shall be deemed to create Conflict of Interest:

 - a. Outside Interests.
 - i. An agreement or transaction between the Corporation and a Responsible Person or Family Member.
 - ii. An agreement or transaction between the Corporation and an entity in which a Responsible Person or Family Member has a financial interest or of which such person is a director, officer, owner, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator, or other legal representative.
 - b. Outside Activities.
 - i. A Responsible Person competing with the Corporation in the rendering of services or in any other agreement or transaction with a third party.

- ii. A Responsible Person's having a financial interest in; or serving as a director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator, or other legal representative of, or consultant to; an entity or individual that competes with the Corporation in the provision of services or in any other agreement or transaction with a third party.
- c. Gifts, Gratuities and Entertainment. A Responsible Person accepting gifts, entertainment, or other favors from any individual or entity that:
 - i. does or is seeking to do business with, or is a competitor of the Corporation; or
 - ii. has received, is receiving, or is seeking to receive a loan or grant, or to secure other financial commitments from the Corporation;
 - iii. under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person in the performance of his or her duties.

Article III

Duties and General Requirements

1. A Responsible Person shall be faithful to the Corporation's best interests and to refrain from using his or her organizational position or knowledge to advance a personal agenda at the Corporation's expense. All institutional decisions are to be made solely to promote the best interests of the Corporation without favor or preference based on personal considerations, and to provide the highest ethical conduct.
2. A Responsible Person shall disclose, as soon as possible, any Conflict of Interest that may arise.
3. A Responsible Person may not obtain, directly, indirectly, or for a Family Member, any material benefit of any kind from his or her association with the Corporation, or from the knowledge gained therefrom.

Article IV

Procedures

1. In connection with any actual or possible Conflict of Interest, a Responsible Person must disclose the existence and nature of his or her financial interest to the President and Secretary of the Board and members of any Corporation committee considering the proposed transaction or arrangement. Neither the law nor the Corporation prohibit the elimination of all conflicts of interests. Rather, the goal is to permit the Corporation to manage conflicting interests successfully and to reach optimum decisions with knowledge of the conflicts. Accordingly, so long as transactions are disclosed to the Board, and the transactions are believed to be in the best interests of the Corporation, they may lawfully be undertaken.
2. After disclosure of the Conflict of Interest, the Responsible Person shall leave the Board or committee meeting which the agreement of transaction is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.
3. The following procedure shall be taken:
 - a. The President of the Corporation Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

- b. After exercising due diligence, the Board or executive committee shall determine whether Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- c. If a more advantageous transaction or arrangement is not reasonably attainable under circumstance that would not give rise to a conflict of interest, the Board or executive committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.
4. A Responsible Person who has been determined by the Board to have a conflict of interest shall not be present or participate in any Board or Committee meeting deliberation or votes on the matter giving rise to the conflict.
5. a. If the Board or a committee has reasonable cause to believe that a member of the Board, committee, officer or employee of Corporation has failed to disclose an actual or possible Conflict of Interest, it shall inform the person of the basis of such belief and afford the person an opportunity to explain the alleged failure to disclose.
b. If, after hearing the response of the person and making such further investigation as may be warranted in the circumstances, the Board or committee determined that the person has in fact failed to disclose an actual or possible Conflict of Interest, it shall take appropriate disciplinary and corrective action as is needed in the circumstances, including removal from office.
6. All related party transactions shall be disclosed and documented in accordance with New York not-for-profit corporation law.

Article V

Records of Proceedings

The minutes of the Board and all committees shall contain the following information:

- 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;
- b. the nature of the financial interest;
- c. any action taken to determine whether a Conflict of Interest was present
- d. the Board's or committee's decision as to whether a Conflict of Interest in fact existed;
- e. the names of the persons who were present for discussions and votes relating to the transaction or arrangement
- f. the content of the discussion, including any alternative to the proposed transaction or arrangement; and
- g. a record of any votes taken in connection with the matter.

Article VI

Periodic Reviews

To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted to include the following subjects:

- a. Whether compensation arrangement and benefits are reasonable and are the result of arm's length bargaining.
- b. Whether any arrangements with outside service organizations conform to

written policies, are properly recorded, reflect reasonable payments for goods and services, further the Corporation's charitable purposes and do not result in impermissible private benefit.

c. Whether agreements with other organizations or employees further the Corporation's charitable purposes and do not result in impermissible private benefit.

Article VII

Annual Statements

Each officer, Board member, member of a committee and employee of the Corporation shall annually sign and file with the Corporation a statement which affirms that such person:

a. has received a copy of the Conflict of Interests Policy;

b. has read and understands the policy;

c. has agreed to comply with the policy; and

d. understands that Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

ANNUAL CONFLICTS OF INTEREST STATEMENT

I have read the American Platform Tennis Association, Inc.'s Conflicts of Interest Policy and have no items to report.

Without exception.

Except as described on the attached statement.

I agree to advise the American Platform Tennis Association, Inc. promptly of any change in circumstances during the year which may create a potential conflict of interest.

Name _____
(print)

Name _____
(signature)

Date _____

This annual disclosure of conflicts of interest is not intended to apply to individuals who hold shares of stock or other securities in publicly held corporations that interact with the American Platform Tennis Association, Inc. in the ordinary course of business.