

Conflict of Interest Policy

The **purpose** of this conflict of interest policy is to protect WCE when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Director or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and US federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

An **interested person** is any Director or principal officer who has a current or potential direct or indirect financial interest.

A person has a **financial interest** if the person has directly or indirectly through business, investment or family a current or potential ownership or investment interest in any entity with which WCE has a transaction or arrangement or a current or potential compensation arrangement (including substantial gifts or favors) with WCE or with any entity or individual with which WCE has a transaction or arrangement.

If there is an actual or possible conflict of interest, an interested person must **disclose** the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Directors considering the proposed transaction or arrangement. Following discussion, the interested person will leave the Board meeting while it discusses and votes if a conflict of interest exists. If the Board determines that there is a conflict of interest, the interested person may be present for the presentation of the transaction or arrangement but then will leave the meeting for the discussion and vote. The Chairman of the Board may appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Board shall determine whether WCE can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity without a conflict of interest. If an alternative is not available, the Board (without the interested person) shall determine if this transaction or arrangement is in WCE's best interest, benefits WCE, and is fair and reasonable.

The **minutes** of the Board will include the names of the interested person, the nature of the financial interest, any action taken to determine if a conflict of interest was present, and the Board's determination the names of those present, votes taken, contents of the discussion including alternatives and a record of any votes.

Violation: If the Board has reasonable cause to believe a person has failed to disclose actual or possible conflicts of interest it will be discussed with the person and the Board shall take any further investigation warranted and determine any appropriate disciplinary and corrective action.

A voting member of the Board, such as the President, who receives **compensation**, directly or indirectly from WCE for services may provide information about compensation but is precluded from voting on matters pertaining to that person's compensation.

To ensure that WCE operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic **reviews** shall be conducted to determine if compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining and whether partnerships, joint ventures, and arrangements with management organizations conform to WCE's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Each Director and principal officer of WCE shall annually sign and e-mail back a **statement** which affirms that the Director has received a copy of this policy, has read and understands the policy, agrees to comply with the policy, and understands that WCE is charitable and in order to maintain its US federal tax exemption must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

"I hereby affirm that I have received, read and understand the Conflict of Interest Policy of World Computer Exchange.

I agree to comply with this policy.

I understand that WCE is a charitable organization and in order to maintain its US federal tax exemption must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Signed: _____ . Dated: _____ "

The Members of World Computer Exchange (WCE) have previously voted to include the following in the by-laws: “A minority of Directors, including the president, may directly or indirectly receive Compensation as a staff person, as a consultant to the Corporation, or indirectly by being a member of a staff person's immediate family. Each of these must be clearly disclosed to and specifically approved by the Board of Directors and such Directors must recuse themselves from any vote directly related to such paid role for the Corporation. The Board Chair may not receive any compensation nor be related to any WCE manager.”