

NORTH COUNTRY HEALTH CONSORTIUM, INC.
POLICY GOVERNING
CONFLICT OF INTEREST

The North Country Health Consortium adopts the following Conflict of Interest Policy in order to strengthen its existing policies and procedures, maintain and exemplify “best practices”, and comply with applicable law and regulations.

1. It is essential that the work of the NCHC not be compromised by any conflict of interest, or the appearance of conflict of interest, on the part of Directors and officers that has not been disclosed to and approved by the Board of Directors in accordance with New Hampshire law (New Hampshire Revised Statutes Annotated Chapter 7, Section 19-a (IV)) and this Policy. A “conflict of interest” means any financial or other interest which may conflict with the service of an individual because:
 - a. It could impair the individual’s objectivity; or
 - b. It could create an unfair advantage for any person or organization.

To address the questions of conflict of interest, for the protection of both the individual and the organization, each Director and officer shall annually provide to the President of the Board a list of business and nonprofit affiliations in which the individual involved has a direct or indirect financial interest (a “pecuniary interest”). The President of the Board will review the statements. The Vice President of the Board will review the statement of the Board President. An indirect financial interest involves an entity of which a Director or officer, or a member of the immediate family of a director or officer, is an owner, partner, employee or officer thereof.

2. Upon the consideration of any proposed transaction involving an organization with which a Director or officer has a pecuniary interest it is the responsibility of the individual to disclose the relationship. Any Director or officer so related shall abstain from discussing or voting on, or otherwise attempting to influence the decision of the proposed action, but may provide information if requested to do so.

A pecuniary benefit transaction is prohibited unless it is in the best interests of the NCHC and the transaction is for goods or services purchased or for benefits provided in the ordinary course of business of the NCHC, for the actual or reasonable value of the goods or services or for a discounted value, the transaction is fair to the NCHC and is approved in accordance with New Hampshire law and this Policy.

3. Where the transaction involving a board member or officer exceeds five hundred dollars (\$500) but is less than five thousand (\$5,000) in a fiscal year, a two-thirds vote of the disinterested Directors approving the transaction is required. Where

the transaction involved exceeds five thousand dollars (\$5,000) in a fiscal year, a two-thirds vote of the disinterested Directors approving the transaction and publication of a legal notice in the required newspapers is required to approve the transaction, together with written notice to the director of Charitable Trust, Attorney General's Office.

4. The NCHC shall not lend money or property to any Director or officer of the NCHC.
5. The NCHC shall not sell, lease for a term greater than five (5) years, purchase, or convey any real estate or interest in real estate to or from a Director or officer without the prior approval of the New Hampshire Probate Court after a finding that the sale or lease is fair to the NCHC. However, this provision shall not prohibit a bona fide gift of an interest in real estate to the NCHC by a Director or officer thereof.
6. This Policy shall be effective as of the Board of Directors 2010 Annual Meeting.

Adopted by the Board of Directors:

August 27, 2010

(date)