



INTERNATIONAL SECURITIES ASSOCIATION FOR INSTITUTIONAL TRADE COMMUNICATION

CONFLICT OF INTEREST POLICY

I. Introduction

This Conflict of Interest Policy (“the Policy”) governs conflicts of interest involving (i) members of the Board of Directors and committees empowered to act on behalf of the Board of Directors of the International Securities Association for Institutional Trade Communication (“the Association”), and (ii) senior staff of the Association (collectively, “Interested Persons”). The purpose of the Policy is to protect the Association’s interests when it has entered into or is contemplating entering into a transaction or arrangement that might benefit a private interest of an Interested Person. The Policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to the Association.

II. Definition of a Conflict of Interest

A conflict of interest exists when an Interested Person has a direct or indirect (through business, investment or a family member) material financial or other interest in a matter that might influence, or that might be perceived to influence, the judgment or actions of the Interested Person while serving the Association. Conflicts of interest may arise under numerous scenarios, including but not limited to the following:

- a. An Interested Person receiving or being considered to receive, directly or indirectly, compensation (e.g., consulting fees, speaking or writing honoraria, etc.) from, or having an actual or potential ownership or investment interest in, an entity offering or proposing to offer products or services to the Association;
- b. An Interested Person doing business or having a relationship with any entity doing business or wishing to do business with the Association; and
- c. An Interested Person also serving as an officer, director, employee or owner of another nonprofit organization or of a for-profit entity competing with the Association in the industry or profession served by the Association.

For purposes hereof, "family member" shall mean spouse, domestic partner, parent, mother-in-law, father-in-law, child, spouse of child, brother, sister or spouse of a brother



or sister. Interests held by a family member shall apply to the extent such interests are known to the Interested Person.

For purposes hereof, "material financial interest" means any financial interest, including all forms of compensation, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect an Interested Person's judgment with respect to decision-making on behalf of the Association. A material financial interest would include the following:

- a financial ownership, partnership or substantial investment (equity or debt) interest in an entity of 5 percent or more (not minor shareholding in publicly-traded corporations);
- a financial ownership, partnership or substantial investment (equity or debt) interest which contributes to an Interested Person's income in a material way;
- significant honoraria or consulting fees; or
- a position as proprietor, director, managing partner or key employee.

III. Disclosure

Interested Persons must disclose all conflicts of interest as defined in Section II. above, including those that *might* influence or be *perceived* to influence the actions or decisions of the Interested Person. Therefore, even if one believes that the relationship or other circumstance will not affect one's judgment or conduct, if it could do so or could reasonably be perceived as having the potential for improper influence, then it must be disclosed. This duty of disclosure extends to bids on or proposals for work solicited by or offered to the Association. Each Interested Person shall complete a Conflict of Interest Disclosure Form annually; such annual disclosures shall be supplemented by additional written disclosures as required by this Policy.

Disclosures of potential conflicts of interest by Association volunteers and the chief staff executive of the Association shall be made immediately to the Association's Board of Directors. Disclosures by other Association staff to which this Policy applies shall be made immediately to the chief staff executive of the Association, who shall consult with the Board of Directors on the matter, if necessary and appropriate.

All Interested Persons shall bring to the attention of the Association any actual or perceived conflict of interest involving any other Interested Person.

IV. Procedure Upon a Disclosure



Upon making a disclosure of a possible conflict of interest, the Interested Person must make all requested information available to the Association's Board of Directors or the chief staff executive, as applicable.

Possible actions that may be taken by the body or person reviewing the conflict of interest include, but are not limited to:

- prohibiting consideration of a proposal for providing products or services;
- permitting consideration of a proposal for providing products or services, but only as one of several competing proposals;
- determining, after exercising due diligence, whether the proposal related to the Interested Person is the most advantageous transaction or arrangement for the Association and, if so, whether it is fair and reasonable and in the best interest of the Association;
- requesting all necessary actions to eliminate the conflict of interest;
- determining that the Interested Person may not participate in discussion or determination of the matter to which the conflict of interest relates; and
- requesting the resignation of the Interested Person from the position with the Association.

A. Disclosure to the Association's Board of Directors

Upon receiving a disclosure of a possible conflict of interest concerning an Association volunteer leader or the chief staff executive, the Association's Board of Directors shall consider appropriate action and decide whether a hearing is warranted. If a hearing is warranted, the Board of Directors shall provide for the due process rights of the Interested Person. If a vote is taken, that person must recuse and absent himself or herself from the vote. Any decision of the Board of Directors shall be final.

B. Disclosure to the Association's Chief Staff Executive

Upon receiving a disclosure of a possible conflict of interest concerning an Association staff member to whom this Policy applies, the chief staff executive shall consider appropriate action, which may include referral of the matter to the Board of Directors. Actions taken concerning Association staff members shall be final.



V. Confidentiality

Except to the extent that disclosure to members of the Board of Directors and the chief staff executive is found to be necessary, all persons receiving a communication from a member or staff member pursuant to this Policy shall maintain the confidentiality of the contents of the disclosure, as well as any conclusions made as to whether there is a conflict of interest.

VI. Violations of This Policy

If the chief staff executive or the Board of Directors has reasonable cause to believe that an Interested Person has failed to make a disclosure required by this Policy, the Interested Person shall be informed of the basis for such belief and shall be afforded an opportunity to explain the alleged failure to disclose. If, after hearing the Interested Person's response and making any further investigation warranted by the circumstances, the chief staff executive or Board of Directors determines that the Interested Person has failed to disclose an actual or potential conflict of interest, appropriate disciplinary and corrective action, up to and including removal from an Association office or staff position and expulsion from the Association, shall be taken.

VII. Records of Proceedings

Minutes of meetings of the Board of Directors at which matters involving an actual or alleged conflict of interest under this Policy were discussed 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 decision as to whether a conflict of interest in fact existed, and
- b. the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the matters discussed, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

VIII. Compensation Committees

A voting member of any committee (or the Board of Directors), the jurisdiction of which includes compensation matters, who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that compensation.



**INTERNATIONAL SECURITIES ASSOCIATION FOR
INSTITUTIONAL TRADE COMMUNICATION**

CONFLICT OF INTEREST DISCLOSURE FORM

I, the undersigned, acknowledge that, in carrying out my duties as an Interested Person under the Conflict of Interest Policy (“the Policy”) adopted by the Board of Directors of the International Securities Association for Institutional Trade Communication (“the Association”), I am charged with a duty of loyalty to the Association. I acknowledge my responsibility to act in the course of my duties as an Interested Person solely in the best interest of the Association, without consideration of the interests of any other person or organization, and to refrain from taking part in any transaction in violation of the Policy.

Pursuant to the Policy, I shall disclose to the appropriate person any potential conflict of interest I may have from time to time, including the identification of (a) the actual or potential receipt, by me or a family member, of compensation from any organization offering or proposing to offer products or services to the Association; (b) any actual or potential ownership, investment or other beneficial interest held by me and/or by a family member in any organization offering or proposing to offer products or services to the Association; (c) any other relationship between me or a family member and any organization offering or proposing to offer products or services to the Association; or (d) my service as an officer or director of another nonprofit organization or for-profit entity in the general areas of interest to the Association. I shall also disclose to the appropriate person any transaction with the Association which would result in any benefit to me, a family member, or any organization in which I have a financial or other beneficial interest or involvement, and I shall refrain from participation in any action on such matters, except to the extent permitted by the Policy.

I. The following organizations, which compensate or desire to compensate me or a family member, offer or propose to offer products or services to the Association:

A. Name:

B. Name:

II. I have, or a family member has, an actual or potential ownership, investment or other interest or involvement in the following organizations, which organizations offer or propose to offer products or services to the Association:

A. Name:
Interest or Involvement:

B. Name:
Interest or Involvement:

III. I have an interest in the following potential transactions involving the Association.

A. Name:
Interest or Involvement:

B. Name:
Interest or Involvement:

IV. I serve as an officer or director of the following organizations, which organizations are engaged in business in the general areas of interest to the Association:

A. Name:
Interest or Involvement:

B. Name:
Interest or Involvement:

Upon submission of this Disclosure Form, I will have disclosed to the best of my knowledge any potential conflict within the scope of the Policy. I assume the duty of promptly submitting a further Disclosure Form in the event of any changes in or additions to the information disclosed herein.

Date: _____
(signature)

(type or print name)