

CALIFORNIA ASSOCIATION FOR BEHAVIOR ANALYSIS

CONFLICTS OF INTEREST POLICY

To the Directors and Officers of CALIFORNIA ASSOCIATION FOR BEHAVIOR ANALYSIS:

I. REASON FOR POLICY.

CALIFORNIA ASSOCIATION FOR BEHAVIOR ANALYSIS is a California nonprofit mutual benefit corporation (“Corporation”). As a director or officer of the Corporation, you are subject to certain legal obligations in the performance of the duties of your position. For this reason, the Corporation is establishing this Conflicts of Interest Policy for all directors and officers.

You are required to exercise good faith in all transactions involving your duties, and you are subject to certain legal obligations not to use your position, or knowledge gained through your position, for your personal benefit. In your dealings with the Corporation, you should be mindful of potential conflicts of interest.

II. STANDARD OF CARE.

In determining potential conflicts of interest, the following standard of care shall be applicable:

The performance of the duties of your position shall be in good faith, in a manner you believe to be in the best interests of the Corporation, with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under the circumstances.

You are entitled to rely on the information, opinions, reports or statements (including financial statements and other financial data) prepared or presented by officers or employees of the Corporation, legal counsel, independent accountants, and other experts who provide professional services to the Corporation, providing that you believe they are reliable and competent, and that the matters which they present are within their professional or expert competence. You may also rely on the information, opinions, reports or statements of any committee of the Board of Directors with respect to matters within that committee’s designated authority if you believe the committee merits your confidence. Finally, you are entitled to rely on the information, opinions, reports or statements of any person, firm, or committee if, after reasonable inquiry when the need therefore is indicated by the circumstances, you have no knowledge that would cause your reliance to be unwarranted.

III. SITUATIONS IN WHICH CONFLICTS MAY ARISE.

Your personal interests may conflict with the interests of the Corporation if:

- (1) you are a person who solicits, bids, contracts, or supplies goods or services to the Corporation or if you have a financial interest in a company which does so;
- (2) you are a person from whom or to whom the Corporation leases property or equipment, or you have a financial interest in a company which does so;
- (3) you are a person with whom the Corporation is dealing or is planning to deal, or you have a financial interest in a company with whom the Corporation is dealing or planning to deal in connection with the purchase or sale of real property, securities, or other property;
- (4) you have any ownership interest in, are employed by, or are an officer or director of another company which competes with or affects the operations of the Corporation;
- (5) you accept gifts or gratuities of any kind or unsecured loans from any person, company, or entity that engages in transactions with the Corporation;
- (6) you have obtained an interest in real estate, securities, or other property that the Corporation is considering buying or leasing;
- (7) you use any “insider” information obtained in the performance of your duties to the Corporation for your own personal advantage;
- (8) you have a financial interest as a creditor of a person or company that is engaging in transactions with the Corporation; or
- (9) you are an officer, serve on the Board of Directors or the Board of Trustees, participate in the management of, or are employed by a person or company that engages in transactions with the Corporation, other than this Corporation's own subsidiaries or affiliated corporations.

Please note that a conflict of interest may be either direct or indirect. You will have an indirect interest in a transaction, company or entity if:

- (1) any of your relatives by blood or marriage has an interest in it;
- (2) any of your relatives by blood or marriage is a beneficiary, personal representative, or trustee of an estate or trust which has such an interest; or
- (3) any of your relatives by blood or marriage owns stock or any other form of interest in any company which has such an interest, or is a director, trustee, officer, or employee of such company.

For purposes of this Policy, an individual is a relative by blood or marriage if he or she is a spouse, father, mother, brother, sister, grandfather, grandmother, grandson, granddaughter, brother-in-law, sister-in-law, son-in-law, daughter-in-law, father-in-law, or mother-in-law.

IV. POLICY.

This Conflicts of Interest Policy requires you to make a full disclosure to the Board of Directors of the Corporation of all material facts regarding any possible conflict of interest, to describe the transaction, and to disclose the details of your interest in it. Upon request by the Board of Directors or any authorized committee of the Board of Directors, you must disclose the source and amount of any income or other economic benefit to be derived from the transaction by you or by an entity in which you have any interest. The Corporation shall, as appropriate, seek the opinion of legal counsel and such other authorities as may be required, before entering into any such transaction. Before approving a transaction described in this Policy, the Board of Directors will attempt, in good faith and after reasonable investigation under the circumstances, to determine that:

- (1) the Corporation is entering into the transaction for its own benefit;
- (2) the transaction is fair and reasonable as to the Corporation at the time the Corporation entered into the transaction;
- (3) the Board of Directors has knowledge of the material facts concerning the transaction and the director's or officer's interest in the transaction;
- (4) the Corporation cannot obtain a more advantageous arrangement with reasonable effort under the circumstances.

The Board of Directors must then approve the transaction by a vote of a majority of the Board of Directors then in office, without counting the vote of any director who may have a conflict of interest due to the transaction under consideration.

V. INTERPRETATION.

The potential conflicts of interest listed in this Policy are by way of example only and are not intended to be an exhaustive list of all transactions by which the Corporation may be affected or injured. It is assumed that you will recognize other analogous situations in which conflicting interests may arise, and that you will comply with your duty to bring such situations to the attention of the Board of Directors. The fact that you may have one of the interests described in this Policy does not necessarily mean that a conflict exists, or that the conflict, if it exists, is of such a material nature to be of practical importance.

However, it is the policy of the Board of Directors that the existence of ANY interest described herein shall be disclosed before any transaction is consummated. You have a continuing responsibility to scrutinize any transaction in which you are directly or indirectly involved for potential conflicts of interest and to make a full disclosure to the Board of Directors

of the Corporation. The Board of Directors shall then determine whether a conflict of interest exists and shall take the appropriate action. All decisions regarding conflicts of interest rest in the sole discretion of the Board of Directors in the exercise of its ultimate judgment of the best interests of the Corporation.

PLEASE READ THE FOREGOING CAREFULLY, THEN COMPLETE, SIGN AND RETURN THE FOLLOWING DISCLOSURE STATEMENT TO THE BOARD OF DIRECTORS IN CARE OF THE UNDERSIGNED.

CALIFORNIA ASSOCIATION FOR BEHAVIOR
ANALYSIS

Dated: _____

By: _____
LeeAnn Christian, President

*Adopted by the CalABA Board of Directors on February 5, 2010
To be reviewed again by the Board prior to February 5, 2011*

CALIFORNIA ASSOCIATION FOR BEHAVIOR ANALYSIS

CONFLICTS OF INTEREST DISCLOSURE STATEMENT

I hereby certify that I have carefully read and hereby acknowledge receipt of a copy of the foregoing Conflicts of Interest Policy. In signing this Disclosure Statement, I have considered not only the literal expression of the Policy but also what I believe to be the spirit of the Policy as well. To the best of my knowledge, information and belief, I hereby certify that, except as hereinafter stated as an exception, neither I nor any of my relatives by blood or marriage has any direct or indirect interest that conflicts with the interests of CALIFORNIA ASSOCIATION FOR BEHAVIOR ANALYSIS.

The exceptions are as follows (if more space is required, please attach additional page[s]; if no exceptions, please leave following space blank): _____
_____.

If any situation should arise in the future which, as discussed in the foregoing Conflicts of Interest Policy, may involve me or my relatives by blood or marriage in a conflict of interest, I will promptly disclose the circumstances to the Board of Directors of CALIFORNIA ASSOCIATION FOR BEHAVIOR ANALYSIS.

Date: _____

(Signature)

(Print Name)

(Position)