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, Leadership Forum and committees empowered to act on behalf of the Board of Directors or Leadership Forum of the National Association of Fleet Administrators, Inc., dba NAFA Fleet Management Association ("NAFA"), and (ii) all employees and independent contractors of NAFA (collectively, "Interested Persons"). The purpose of the Policy is to protect NAFA’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 NAFA.

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 NAFA. 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 NAFA;

b. An Interested Person doing business or having a relationship with any entity doing business or wishing to do business with NAFA; and

c. An Interested Person also serving as an owner, officer, director or employee of another nonprofit organization or a for-profit entity in an area of interest to NAFA ("a competitive organization").

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 NAFA. 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.
The mere existence of a conflict of interest shall not prevent a transaction from taking place, however, so long as: (i) the interest or relationship is disclosed; (ii) disinterested individuals make the necessary decisions; and (iii) the terms of the transaction are fair and reasonably comparable to those available to NAFA through transactions or opportunities in which the parties are entirely independent of one another.

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 NAFA. Each Interested Person shall complete a Conflict of Interest Disclosure Form annually; such annual disclosures shall be supplemented by additional written disclosures promptly upon the development of a conflict of interest.

Disclosures of potential conflicts of interest by NAFA volunteers and the Chief Executive Officer of NAFA shall be made immediately to the NAFA President, who shall then share such information with the Board of Directors. Disclosures by other NAFA employees and independent contractors shall be made immediately to the Chief Executive Officer, who shall consult with the President on the matter, if necessary and appropriate.

All Interested Persons shall bring to the attention of NAFA 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 NAFA’s President or the Chief Executive Officer, 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 NAFA and, if so, whether it is fair and reasonable and in the best interest of NAFA;
- 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;
- requesting the resignation of the Interested Person from the position with NAFA; and
- requesting the resignation of the Interested Person from the position with a competitive organization.

A. Disclosure to the President
Upon receiving a disclosure of a possible conflict of interest concerning a NAFA volunteer leader or the Chief Executive Officer, the President shall forward all relevant information to the Board of Directors, which 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 and the Interested Person is a member of the Board of Directors, that person must recuse and absent himself or herself from the vote. The decision of the Board of Directors shall be final.

B. Disclosure to the Chief Executive Officer
Upon receiving a disclosure of a possible conflict of interest concerning an employee or independent contractor of NAFA, the Chief Executive Officer shall consider appropriate action, which may include referral of the matter to the Board of Directors. Actions taken by the Chief Executive Officer or the Board of Directors concerning NAFA employees and independent contractors shall be final.

V. Confidentiality
Except to the extent that disclosure to members of the Board of Directors and the Chief Executive Officer 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 Executive Officer 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 Executive Officer or the 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 a NAFA office or staff position and expulsion from NAFA, 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.