

Policy Title: Conflict of Interest

Purpose

This policy explains what constitutes a conflict of interest and how Dharma Rain manages them.

Definitions

Director: An elected member of the board of directors.

Trustee: A member of the board appointed by the abbot.

Officer: A corporate officer of Dharma Rain. Dharma Rain officers include the corporate President, Treasurer, and Secretary.

Policy

A conflict of interest transaction or arrangement is a transaction or arrangement with Dharma Rain Zen Center in which a director, trustee, or officer has a direct or indirect interest.

1. A director or officer has a direct interest in any transaction or arrangement if the director, trustee, or officer or a member of their families has a financial interest in the transaction or arrangement
2. A director, trustee, or officer has an indirect interest in any transaction or arrangement if the a director, trustee, or officer:
 - has a financial interest or a potential financial interest in any entity or individual involved in the transaction or arrangement;
 - has a compensation arrangement with any entity or individual with which Dharma Rain has a transaction or arrangement; or
 - is a director, officer, or trustee of a profit or nonprofit entity involved in the transaction or arrangement and the transaction or arrangement is of such importance that it is or should be considered by the Board of Dharma Rain.

Procedures

Any director, trustee, or officer with knowledge of an actual or potential conflict of interest on the part of that director, trustee, or officer or any other director, trustee, or officer shall inform the entire board of the conflict. The board shall obtain disclosure of the financial interest and all material facts. After any discussion with the interested person, the interested person shall leave

the meeting while the board determines whether a conflict of interest exists. If the board determines that a conflict exists, the board shall follow these procedures to address the conflict of interest:

The interested person may make a presentation to the board, but after the presentation shall leave the meeting during the discussion of and the vote on the transaction or arrangement involving the conflict of interest.

The board shall investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the board shall determine whether the transaction or arrangement is fair to the corporation. In order to proceed, the transaction must be approved by a majority of all voting members of the board who have no direct or indirect interest in the transaction.

Records of Proceedings

The board minutes shall contain:

- The names of anyone who had a conflict of interest,
- the nature of the financial interest,
- a summary of the discussion to determine whether a conflict was present,
- the vote as to whether a conflict was present,
- the names of the directors, trustees, and officers present for the discussion and vote related to the transaction or arrangement,
- and a record of the vote taken.

Revision history:

- Revised by DRZC Board of Directors, March 2025
- Revised June 2013