



THE NORTHEAST GAS ASSOCIATION

CONFLICT OF INTEREST AND MANDATORY DISCLOSURE POLICY

ARTICLE I – STATEMENT OF PURPOSE

The Northeast Gas Association (“NGA”)¹ is a non-profit, tax-exempt organization, that receives research public funding in support of its mission. The NGA must protect its interests when advising, contemplating entering into a transaction or arrangement (especially those that may directly or indirectly benefit private interests or any management employee or a member of its Board of Directors).

For these reasons, the NGA maintains a Conflict of Interest and Mandatory Disclosure Policy (“Policy”). It is imperative that we prevent the personal interest of any individual associated with NGA (including Board members, employees, and independent contractors). NGA will avoid any unethical financial, professional, or political gain on the part of an associated individual. The expectations of this Policy are in addition to any applicable federal, state, or local laws regarding conflicts of interest and disclosure.

ARTICLE II – PERSONS CONCERNED

This statement is directed not only to Directors and Officers, but also to all employees who can influence the governance and actions of NGA (collectively, “Management Employees”). This includes anyone who makes financial decisions, purchasing decisions, and all other persons who might be described as “management personnel,” or all who have proprietary information regarding NGA.

ARTICLE III - COMPLIANCE WITH PERTINENT LAWS

¹ For purposes of this Policy, the NGA shall mean the whole entity, to include any of its affiliates, divisions, etc.

Procurement standards prohibit Directors, as well as Officers and agents of our organization, from participating in the selection, award, or administration of a contract supported by federal or state funds if there is a real or an apparent conflict of interest involved. In general terms, these standards indicate that a conflict of interest arises when a Director, Officer or agent, or any member of their immediate family, their partner, or an organization which employs or is about to employ any of those parties, has a financial or other interest in the individual or firm selected for the award.

Any NGA Management Employee that has a conflict of interest as defined by the above standards cannot participate in deliberations concerning selection among bidders or oversight of the contractor when the contract is federally-or state- funded. However, this restriction does not pertain to contracts that are paid for with non-federal funding (i. e., expenses that are not charged directly to the grant award).

(1) Key Areas in Which Conflict May Arise

Conflicts of interest may arise for Management Employees in the below example situations. Management Employees are expected to carefully consider their activities relative to the following non-exhaustive list:

- Persons and firms supplying goods and services to the NGA;
- Persons and firms from whom NGA leases property or equipment;
- Persons and firms with whom NGA is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property;
- Competing or affinity organizations;
- Recipients of grant or funding from NGA; or
- Agencies, organizations, and associations that affect the operations of NGA.

(2) Nature of Potential Conflicting Interest

A material conflicting interest may be defined as an interest, direct or indirect. Such an interest might arise, for example but without limitation, through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with NGA;
2. Holding office, serving on the Board, participating in management, or being otherwise employed (or formerly employed) by any third party dealing with NGA;
3. Receiving remuneration for services with respect to individual transactions involving NGA;

4. Using NGA's time, personnel, equipment, supplies, or goodwill other than for approved NGA activities, programs, and purposes; or
5. Receiving personal gifts or loans from third parties dealing with NGA. Receipt of any gift is disapproved except gifts of nominal value that could not be refused without discourtesy. No personal gift of money should ever be accepted.

(3) Board of Director Additional Duties

In Massachusetts, the law imposes upon members of any Board of Directors, two primary duties, including the: Duty of Care, and Duty of Loyalty.

The Duty of Care means that all Directors must act with such care as an ordinarily prudent person would employ in their position. The Duty of Loyalty means that all Directors must act in good faith and in a manner that they reasonably believe is in the best interest of our organization.

A key responsibility of the Board of Directors is to provide oversight. Undisclosed conflicts of interest can compromise trust in our organization. The Board wishes to avoid any actual or potential conflict of interest in our organization's operations and has adopted this policy to implement best practices with respect to potential conflicts.

ARTICLE IV – DISCLOSURE OBLIGATIONS PROCEDURES

1. Duty to Disclose

(A) Each Management Employee will be asked at the beginning of each fiscal year to complete a questionnaire detailing potential conflicts of interest, based on employment, business or civic affiliations or other activities. All Board of Directors will also be asked to complete the questionnaire.

(B) If a potential conflict arises after a Management Employee has filed the annual questionnaire, they are under an obligation to disclose the existence or potential existence of a Conflict of Interest as it arises. When in doubt, you are encouraged to disclose to ensure compliance with this Policy and the law.

2. Investigating Conflicts

When a potential Conflict of Interest is disclosed, the Officers of the NGA Board of Directors ('The Board') will then provide the individual with an opportunity to disclose all material facts. The Board will collect all pertinent information and

question the involved parties and render a decision in consultation with legal counsel if necessary. If it turns out that a conflict does not exist, the inquiry will be documented but no further action will be taken.

3. Addressing a Conflict of Interest

If the Board determines that a conflict of interest exists, they will take the appropriate actions to address the conflict. This may include (but not be limited to): (a) prohibiting any Interested Parties from voting on any matter related to said Conflict of Interest or (b) terminating employment with NGA.

Affected parties both within and outside of NGA, including directors, employees, and independent contractors, will be notified. If the Conflict of Interest in question involves a member of the Board, that individual will be excused from deliberations.

4. Disciplinary Action

All conflicts of interest will be reviewed on a case-by-case basis. The Board has full discretion to deem what disciplinary action is appropriate and necessary for disclosed conflicts of interest.

If the governing officers reasonably believe a member or staff member failed to disclose an existing or possible Conflict of Interest, it shall inform the individual of the rationale for such belief and grant the individual an opportunity to explain the alleged failure to disclose the Conflict of Interest.

After hearing the individual's response and investigating further as warranted by the circumstances, the governing officers may take appropriate disciplinary action, including removal from the position at NGA.

Article IV – Political Activities

Only the CEO or Board Chair can authorize the taking of any position by the NGA on legislation, referenda, lobbying activities, or the like.

If an Officer is asked to sign political advertisements or endorsements that include reference to their employment relationship, a generic description should be used such as "Program Officer" and NGA should not be referenced.

Before a Management Employee becomes actively involved in a political campaign or activity, the individual should discuss internally to avoid the risk of the individual's personal actions being attributed to NGA and also review any other unintended or potential impacts such activity could have on NGA.

Article V – Acknowledgment

By signing, the individual named below understands and agrees to the terms of this Policy. The signee understands what constitutes a Conflict of Interest and understands the procedure for addressing them with NGA, including their duty to disclose.

Name (printed): _____ Date: __/__/20__

Signature: _____