

Conflict of Interest Policy

Article I

Purpose

The purpose of the conflict of interest policy is to protect DSRA Benefit Trust (hereinafter “the Trust”) interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or board member of the VEBA committee or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit organizations.

Article II

Definitions

1. Interested Person

Any director, principal officer, or member of the VEBA committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

An officer or committee member has a financial interest if he or she has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Trust has a transaction or arrangement;
- b. A compensation arrangement with the Trust or with any entity or individual with which the Trust has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Trust is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that exceed \$100/year.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, an officer or committee member who has a financial interest may have a

conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

ARTICLE III

Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the VEBA committee.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the VEBA committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the VEBA committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the VEBA committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the VEBA committee shall determine whether the Trust can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the VEBA committee shall determine by a majority vote of the disinterested committee members whether the transaction or arrangement is in the Trust's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the VEBA committee has reasonable cause to believe an officer or committee member has failed to disclose actual or possible conflicts of interest, it shall

inform the member of the basis for such belief and afford the officer or committee member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the VEBA committee determines the officer or committee member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV

Records of Proceedings

The minutes of all committees with board delegated powers 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 VEBA committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V

Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Trust is non-profit and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Signature Page

I, _____ , a director, principal officer or member of DSRA Benefit Trust with governing board delegated powers affirm that I:

- a.** Have received a copy of the conflicts of interest policy,
- b.** Have read and understand the policy,
- c.** Have agreed to comply with the policy, and
- d.** Understand DSRA Benefit Trust is a nonprofit organization and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Signed _____

Date _____

DSRA Benefit Trust Suppliers as of 02-16-20

American Incorporators Inc

Benistar / Express Scripts Ins. Co.

Blue Cross / Blue Shield of Michigan

Comerica Bank

First Person Advisors

The Hartford

Somerset, Accounting Firm

Mercer Inc.

Met Life, former DPHH Life & Accident Insurance

Nyhart, Actuarial Services

Guardian, Life Insurance

Rupp, Baase, Pfalzgraf, Cunningham & Coppola LLC, Attorneys

Segal-Fid Liability Insurance

Select Quote

Robert von Schwedler