



## Conflict of Interest

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### Highlights

### Policy Statement

United Methodist Retirement Communities, Inc. expects its employees and trustees to conduct the business of UMRC or the UMRC Foundation (collectively known as “UMRC”) in a legal and ethical manner, observing the highest standards of integrity and business ethics. When acting as employees or trustees of UMRC, these individuals should act solely for the benefit of the organizations. Each employee and trustee should avoid any financial relationship or other situation which represents a conflict between UMRC interests and other personal interests of the individual.

- 1.0 Use of funds or other assets of UMRC for any unlawful, unethical or immoral purpose is prohibited.
- 2.0 Participation, in any capacity, by UMRC or an employee or trustee on behalf of UMRC in any action or scheme for any unlawful purpose is prohibited.
- 3.0 Contributions from corporate funds or other assets of UMRC to a political party, political committee or other political organization, or to a candidate for any elective office, or to influence any pending legislation or election, is prohibited.
- 4.0 Payments, regardless of amount or form, to government officials and other government personnel, or gifts of substantial value or lavish entertainment, regardless of motive, are prohibited.
- 5.0 Current UMRC or UMRC Board trustees or directors may offer bids or proposals for delivery of goods or services or paid work for UMRC or any of its affiliates while serving on the UMRC or a UMRC-affiliated Board. The Trustee or Director shall fully disclose his or her conflict when submitting the bid and on any annual disclosure. Such trustees or directors will be recused from any decision regarding such bids. Requests for proposal that include trustee or director related entities will be vetted by the UMRC Board of Trustees for potential conflict of interest resolution prior to submission to potential vendors
- 6.0 No employee or trustee, or any immediate family member of an employee or trustee, directly or indirectly, shall have any potential conflict of interest unless such interest is disclosed on the Conflict of Interest Acknowledgment. The Acknowledgment shall be updated promptly upon an individual’s becoming aware of any potential of conflict not disclosed in the individual’s last annual Acknowledgment. Ownership of stock or debt of a publicly traded company shall not require disclosure.
- 7.0 No employee, director or trustee shall represent UMRC in any transaction or vote in the Board or a committee thereof in any matter



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in which s/he or an immediate family member has a personal interest. Any outside compensation of any employee of UMRC shall be deemed to be a transaction in which the affected individual has a potential conflict of interest.

- 8.0 Direct or indirect competition with UMRC in the operation, purchase or sale of property, property rights, and business opportunities or interests could constitute a conflict of interest and must be disclosed.
- 9.0 Money, gift certificates, merchandise or their equivalent may never be accepted from a vendor, with the following exception: Nominal and unsolicited gifts having apparent retail value under \$60.00 per year may be accepted at the recipient's discretion. All others must be returned to the donor. Personal gifts of any kind must never be suggested or encouraged.
- 10.0 At a vendor's invitation, an employee or trustee may accept meals, refreshments or tickets to a theater, sporting event or similar form of entertainment at the vendor's expense, provided that a regular business representative of the vendor is also in attendance, and that no more than one such event is held in each one year period.
- 11.0 Personal loans may never be accepted from a vendor, or obtained or guaranteed for any purpose by a vendor. This does not apply to loans obtained independently and in the ordinary course of business from a bank or other public lending institution at fair market value.
- 12.0 Travel or lodging for an employee may not be accepted from or reimbursed by a vendor, unless such travel or lodging is for educational or consultative purposes and approved by the UMRC CEO.
- 13.0 No employee may participate in or receive personal benefit from any vendor-sponsored contest or promotional effort, except a simple participation raffle such as those that routinely occur at the annual industry trade show.

**Policy Interpretation and Implementation**

- 1.0 The UMRC policy on Conflict of Interest will be distributed annually to members of the Board of Trustees/Directors of UMRC and the UMRC Foundation, UMRC Administrative Staff including Department Heads and Central Supply staff.
- 2.0 At the time of the distribution of the policy, each person will be given the opportunity to disclose real or potential conflicts of interest, which will be kept confidential. Disclosures of any potential conflicts of interest by Board members and/or officer employees will be forwarded to the Governance Committee for review. Potential conflicts of interest disclosed by the Governance Chair will be reviewed by the Chair of the UMRC Board of Trustees.
- 3.0 A non-officer employee who is unsure whether his or her ownership, or similar interest in, or receipt of a benefit from a company, or whether such company does or is likely to do business with UMRC,



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shall present the matter to the Vice President and Chief Financial Officer of UMRC, who shall advise the individual after receiving any information the individual wishes to present, and whose determination about disclosure shall be final. An officer or Trustee who has a similar question shall present the matter to the Chair of the Governance Committee, who shall advise the individual after receiving any information the individual wishes to present, and whose determination about disclosure shall be binding. Disclosures made by non-officer employees will be forwarded to the Vice President and Chief Financial Officer for review.

- 4.0 A transaction between UMRC and any entity affected by a conflict of interest of any UMRC employee, officer or Trustee shall not be void, but shall be valid if the following requirements are met: (a) The transaction is fair and reasonable to UMRC, as determined by the Board of Trustees or an appropriately empowered committee thereof, when approved or ratified; (b) The material facts of the conflict of interest are disclosed to the Board or committee; (c) the transaction is discussed and voted upon by the Board or committee outside the presence of the affected individual; (d) the transaction is approved or ratified by a majority of the Board after review by the Executive Committee, although the affected individual, while excluded from the discussion and vote, may be counted as contributing to a quorum; and (e) the minutes of the Board or committee reflect compliance with items (a) through (d) of this section 4.0.
- 5.0 Any UMRC employee violating any provision of this policy, including failure to disclose a potential or real conflict of interest, is subject to disciplinary action, up to and including discharge.
- 6.0 Any UMRC Board Member violating any provision of this policy, including failure to disclose a potential or real conflict of interest, is subject to being removed from the Board in accordance with the current UMRC Bylaws.



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UNITED METHODIST RETIREMENT COMMUNITIES, INC.  
DISCLOSURE FORM - CONFLICT OF INTEREST

I have read and do understand the UMRC Policy and Procedures on Conflict of Interest, revised February 15, 2018 and agree to abide by them.\*

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

***Please list below relationships with UMRC or other organizations which contain real or potential conflicts of interest. (If none, please specify "NONE").\*\****

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\* Any employee who is uncertain about whether a relationship does or might constitute a conflict of interest should consult the VP/CFO of UMRC

\*\* Any employee or officer of UMRC who becomes aware of a relationship that does, or might, constitute a conflict of interest after completing and signing this form must file an updated form. Blank forms may be obtained from the Executive Assistant to the CEO.

Regulatory Reference Sources and Revision Dates	
OBRA Regulatory Reference Numbers	None Applicable
Survey Tag Numbers	None Applicable
Policy Reviewed/Revised	Date: 10/18/1990 5/20/09 6/17/11 By John Thorhauer Date: 9-13-13 By: John Thorhauer Date: 3-16-16 By: John Thorhauer Date: 4-29-16 By: UMRC Board of Trustees Date: 2/15/19 By: UMRC Board of Trustees/UMRC Foundation Board