

Conflict of Interest - Enforcement Procedures

February 11, 2009

From the Code of Ethics and Conflict of Interests Policy:

DISCLOSURE

Following disclosure of a conflict of interest with respect to a particular decision, the following principles shall apply:

- a. The individual in conflict of interest may not participate in discussion of this decision as an advocate on his/her own behalf, either formally at the meeting or informally through private contact, communication, and discussion, unless such participation is approved by a majority vote of the Audit and Ethics Committee;
- b. Except where participation in discussion has been properly approved as per the above, the Board or staff person shall not be present at that portion of a meeting when matters in which they have an interest are considered; and
- c. The individual in a conflict of interest shall not participate in any vote on the matter.

Procedures based on the Code of Ethics and Conflict of Interests Policy:

- 1. *Conflict of interests must be identified BEFORE a discussion takes place and not after the discussion has taken place.***
- 2. *Once a conflict of interest has been identified by any entity towards a director or by the director him or herself, and if the director affected agrees (which is strongly encouraged), the director shall withdraw themselves, by leaving the room, from the discussion and vote as outlined in the policy.***
- 3. *If the director does not agree that the issue is a conflict then, per the policy, participation of the director will be reviewed by the Audit and Ethics Committee. The Audit and Ethics Committee will have the authority to decide if the issue is a perceived or actual conflict of interest. If the Audit and Ethics Committee votes in favor, by majority vote, of the issue being a conflict of interest then the Conflict of Interests policy will be in effect and the director will not be allowed to participate in the discussion or vote and will need to leave the room. Conversely, if the Audit and Ethics Committee votes that the issue is not a conflict, then the director shall be allowed to participate in the discussion and any vote.***

Conflict of Interest - Enforcement Procedures (Cont.)

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From the Code of Ethics and Conflict of Interests Policy:

ACTION UPON DISCLOSURE

Any determination of the Audit and Ethics Committee can be subject to the review of the Board. The Board will retain the authority to overrule the decisions of the committee provided it is by a two-thirds majority vote of the full board with the motion being tabled in the correct manner.

Procedures based on the Code of Ethics and Conflict of Interests Policy:

- 1. All actions by the Audit and Ethics Committee are subject to review of the full board and can be overruled by a two-thirds majority vote of the full Board by tabled by the rules of order. This should be utilized in extreme cases.**

From the Code of Ethics and Conflict of Interests Policy:

DOCUMENTATION

Documentation relating to conflict of interest situations shall be recorded in the minutes of the Board of Directors and all Committees of USA Pentathlon.

Procedures based on the Code of Ethics and Conflict of Interests Policy:

- 1. All conflict of interest challenges and the results of such challenges will be recorded in the minutes of the Board.**

From the Code of Ethics and Conflict of Interests Policy:

ADDITIONAL

In situations where an inflexible application of a policy would produce an excessive result, it is expected the policy will be tempered by appropriate discretion of the Audit and Ethics committee.

When the Board of Directors determines that exploitation of a conflict of interest has occurred, the Board of Directors will make it public.

If the USA Pentathlon representative is removed from his/her position and the USA Pentathlon representative wishes to appeal the decision, a written request for Appeal, stating the grounds for such an Appeal, must be submitted in accordance with the USA Pentathlon Appeals Policy.

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Procedures based on the Code of Ethics and Conflict of Interests Policy:

- 1. Per the by-laws, the Audit and Ethics Committee will be able to review application of the policy to ensure results are not excessive and will have the ability to temper its application.***
- 2. Where a conflict of interest has occurred it will be in the minutes and may be available for wider publication.***
- 3. Continued abuses of the Conflict of Interests policy may result in the removal of the violating Board member from the Board of Directors.***

NOTE:

PER THE POLICY, CONFLICTS CAN AND DO OCCUR IN BOARD MEETINGS, BUSINESS DEALINGS AND ANY OTHER BUSINESS OR PERSONAL RELATIONSHIPS. EACH BOARD MEMBER, EMPLOYEE OR VOLUNTEER NEEDS TO HOLD THEMSELVES AND EACH OTHER ACCOUNTABLE. THE BOARD OF DIRECTORS AND THE AUDIT AND ETHICS COMMITTEE HAS THE JURISDICTION TO ENFORCE CONFLICT OF INTERESTS AND ETHICS ISSUES.