In order to ensure compliance with applicable laws and to protect USCC, its Board Members, Officers, Staff Members, Committee Members, Commissioners, and Contractors from potential legal problems regarding conflicts of interest and violation of fiduciary obligations, USCC endorses and adopts the following statement of policy.

To encourage and foster open and candid discussion at its meetings, the Board of Directors (Board) of the US Composting Council believes confidentiality must be maintained. Therefore, it is the policy of the Board of Directors of USCC that each Board Member, Officer, Staff Member, Committee Member, Commissioner, and Contractor shall not disclose information that is or has been identified as confidential or may give an unfair advantage unless compelled by legal process to disclose such information, or as otherwise agreed by the Board.

Board Members, Officers, Staff Members, Committee Members, Commissioners, and Contractors acknowledge that any violation of this policy could cause harm to USCC and compromise Board deliberations. Therefore, any Board Member, Officer, Staff Member, Committee Member, Commissioner, and Contractor who violates this policy shall be subject to termination of his/her position.

I. Duty of Loyalty

Among the fiduciary obligations of a Board Member, Officer, Staff Member, Committee Member, Commissioner, and Contractor of USCC is a duty of loyalty to the USCC. This includes supporting, and not opposing directly or indirectly, or taking any other stance against the policies and positions duly adopted by USCC's Board of Directors. As representatives of USCC, Board Members, Officers, Staff Members, Committee Members, Commissioners, and Contractors are obligated to maintain this duty of loyalty in all manner of activities during their terms of office. This duty of loyalty is not intended to, nor should it, discourage debate within meetings. Such debate is encouraged and is part of the individual's responsibility in the deliberation process. Conduct shall be in a spirit of collegiality and respect for the collective decisions of the Board and subordinate to personal interests while maintaining the best interests of the Council. All representatives must conduct themselves in a professional manner and not demean or disparage other representatives verbally or in written form.

II. Confidentiality of Discussions and Documents

To encourage and foster open and candid discussion at its meetings, the USCC believes confidentiality must be maintained. Therefore, it is the policy of the USCC that each Board Member, Officer, Staff Member, Committee Member, Commissioner, and Contractor shall not disclose any and all information that is or has been identified as confidential or may give an unfair advantage, including discussions, documents, materials, correspondence, or reports, unless compelled by legal process to disclose such information, or as otherwise agreed to by the Board.

Any discussion, information, or document that is of a sensitive or confidential nature shall be identified as such and labeled “CONFIDENTIAL” where possible.

III. Conflicts of Interest

Another fiduciary obligation of a non-profit corporation Board Member, Officer, Staff Member, Committee Member,
Commissioner, and Contractor is to avoid "conflicts of interest". A "conflict of interest" is generally defined as a transaction in which an individual’s fiduciary obligations to the USCC may be in direct or indirect conflict with the individual’s personal or business interests whereas the individual or their interests may potentially benefit from the transaction.

I. Defining Conflict of Interest:
   A. In order for the USCC to retain recognition of exemption under Section 501(c)(6) of the Internal Revenue (IRS) Code, Board Members, Officers, Staff Members, Committee Members, Commissioners, and Contractors are required to disclose relationships that may create conflicts of interest.
      1. Quorum: Understanding how the IRS defines relationships and conflicts of interest is important when determining what qualifies as the organization’s quorum. A quorum is defined as the minimum number of members of a group who can officially meet to discuss business and vote on decisions. In a nonprofit setting, a quorum is the minimum number of unrelated board members needed to count as an official meeting.
      2. Relationships: The IRS defines a relationship between Board Members, Officers, Staff Members, Committee Members, Commissioners, and Contractors as follows:
         a) "Family relationships" include the individual's spouse, ancestors, children, grandchildren, great grandchildren, siblings (whether by whole or half-blood), and the spouses of children, grandchildren, great grandchildren, and siblings.
         b) "Business relationships" include employment and contractual relationships, and common ownership of a business where any Board Members, Officers, Staff Members, Committee Members, Commissioners, and Contractors, individually or together:
            c) "Ownership" means voting power in a corporation, profits interest in a partnership, or beneficial interest in a trust.
            d) The USCC further defines a business relationship that causes a conflict of interest as any individual or organization that is:
               (1) A substantial contributor to you.
               (2) Board Members, Officers, Staff Members, Committee Members, Commissioners, and Contractors, or any other individual who has similar powers or responsibilities.
               (3) An individual who owns more than 20% of the total combined voting power of a corporation that is a substantial contributor to you.
               (4) An individual who owns more than 20% of the profits interest of a partnership that is a substantial contributor to you.
               (5) An individual who owns more than 20% of the beneficial interest of a trust or estate that is a substantial contributor to you.
               (6) A member of the family of any individual described in 1, 2, 3, 4, or 5 above.
               (7) A corporation in which any individuals described in 1, 2, 3, 4, 5, or 6 above hold more than 35% of the total combined voting power.
               (8) A trust or estate in which any individuals described in 1, 2, 3, 4, 5, or 6 above hold more than 35% of the beneficial interests; and
               (9) A partnership in which any individuals described 1, 2, 3, 4, 5, or 6 above hold more than 35% of the profits interest.

II. Disclosing Conflict of Interest: To avoid potential conflict of interest problems, USCC implements the following procedures:
   A. Any matter involving USCC and a USCC Board Members, Officers, Staff Members, Committee Members, Commissioners, and Contractors, and any corporation, partnership or other entity in which that individual has, expects, intends to have, or where there is a potential to have an actual or perceived financial or other beneficial interest, such individual, prior to any discussion or decision concerning the matter, shall fully disclose the material facts of the conflict and the individual's interest or relationship through the Conflict of Interest Disclosure Form to both the Executive Director and the USCC staff liaison.
B. If the Executive Director or Staff liaison are party to the conflict of interest, the matter shall be disclosed directly to the Executive Committee.

C. Upon such discovery or disclosure, the individual shall take no further action on the subject matter until resolution or a determination of participation is provided by the Executive Director.

D. Executive Director or Staff liaison notifies others affected by the conflict of interest.

E. The Executive Director may bring the concern to the Executive Committee for determination where deemed necessary.

IV. Anti-Trust Law Compliance

Fair and vigorous competition is essential to the maintenance of this country’s free enterprise system. In furtherance of this principle, all activities are to be conducted in strict compliance with antitrust laws. Board Members, Officers, Staff Members, Committee Members, Commissioners, and Contractors are reminded that they are required to comply with the spirit and requirements of the antitrust laws.

A free exchange of ideas on matters of mutual interest to representatives of USCC members is necessary for the success of all meetings. Such an exchange of views is essential to the successful operation of every trade association. It is not the purpose of this policy to discourage the exploration in depth of any matters of legitimate concern to meeting participants. Nevertheless, to ignore certain antitrust ground rules, either through ignorance or otherwise, is to create a hazard businesspeople cannot afford.

The Sherman Antitrust Act, The Clayton Act, the Federal Trade Commission Act, and the Robinson-Patman Act comprise the basic federal antitrust laws, which set forth the broad areas of conduct considered illegal as restraints of trade. In general, agreements or understandings between competitors that operate as an impediment to free and open competition are forbidden. The broad language of these laws suggests the scope of federal antitrust prohibitions by forbidding any "agreement or understanding...to substantially lessen competition or tend to create a monopoly in any line of commerce." In particular, the antitrust laws prohibit:

I. Discussing the fixing or regulating of prices, markups, or the conditions or terms for the sale.

II. Discussing the establishment of geographic trading areas, allocation of markets or customers, or classification of certain customers as being entitled to preferential treatment.

III. Discussing or participating in any plan designed to induce any manufacturer or distributor to sell or refrain from selling or discriminate in favor of or against any customer or class of customers.

IV. Discussing limiting or restricting the quantity of products to be produced.

V. Discussing or participating in any plan designed to control the means of transportation or channels through which products may be sold.

VI. Discussing or participating in any plan which has the effect of discriminating against or excluding competitors.

This is, at best, only a general outline of some of the areas, which pose antitrust dangers in discussions between competitors and between sellers and their customers. They are provided to guide discussion during meetings, and in connection with social or other gatherings.

If any question arises about an item on a meeting agenda, it should be reviewed by legal counsel before the meeting. If
the question does not arise until the meeting has begun, or if a questionable topic is about to be discussed in connection with any gathering, whether or not a formal meeting, that discussion should be immediately stopped and not resumed until approved by legal counsel.

V. Fiduciary Obligations as to USCC Opportunities

Another fiduciary obligation prohibits a Board Member, Officer, Staff Member, Committee Member, Commissioner, and Contractor of a non-profit corporation from seizing a "corporate opportunity" for their company's benefit or personal benefit. This means that such an individual may not take advantage of a business opportunity in which the Board Member, Officer, Staff Member, Committee Member, Commissioner, and Contractor knows USCC has a genuine interest and where such an Association opportunity would be consistent with USCC's purposes, mission and goals as a non-profit corporation. Further, if the Board Member, Officer, Staff Member, Committee Member, Commissioner, and Contractor becomes aware of such an opportunity, they are obliged to inform USCC and allow USCC to act first.

VI. Participation in Deliberations and Actions

In any case in which there is a question of loyalty, conflict of interest, or corporate opportunity raised, the Board Member, Officer, Staff Member, Committee Member, Commissioner, and Contractor shall not participate in the meeting for the entire time the matter is discussed and voted upon.

Violations to this policy can lead to disciplinary action or removal from the position or termination of the contract as per the By-Laws.

I have read and understand the above expectations for this position or contract for the US Composting Council and agree to abide by this Code of Ethics and duty of confidentiality.

Print Name: ______________________________________________________

Company Name: __________________________________________________

USCC Role (circle all that apply):

Board Member / Officer / Staff Member / Committee Member / Commissioner / Contractor / Other: ____________

_____________________________________  _________________________
Signature                                      Date