

Centro de Capacitación, Investigación y Demostración del Método Biointensivo de Cultivo en Nicaragua, Inc.

Conflict of Interest Policy

Adopted January 4, 2013

Article 1 - Purpose

The purpose of this Conflict of Interest Policy is to promote confidence in the integrity of the **Centro de Capacitación, Investigación y Demostración del Método Biointensivo de Cultivo en Nicaragua, Inc.** (hereinafter “CCID en Nicaragua” or “the Corporation”) and to protect the Corporation’s interest when it is contemplating entering a transaction (defined below) that might benefit the private interest of a director, a corporate officer, or a key employee (defined below).

Article 2 - Definitions

The following are considered to be “Insiders” for the purposes of this policy:

Each member of the Board of Directors.

Executive officers of the Corporation: President - Executive Director, Vice-President, Treasurer, and Secretary.

Any key employee, meaning an employee whose total annual compensation (including benefits) from the Corporation and its affiliates is more than \$75,000 **and** who 1) has responsibilities or influence over the Corporation similar to that of directors and executive officers; **or** 2) manages a program that represents 10% or more of the activities, assets, income, or expenses of the Corporation; **or** 3) has or shares authority to control 10% or more of the Corporation’s capital expenditures, operating budget, or compensation for employees.

Interest means any commitment, investment, relationship, obligation, or involvement, financial or otherwise, direct or indirect, that may influence a person’s judgment, including receipt of compensation from the Corporation, a sale, loan, or exchange transaction with the Corporation.

A conflict of interest is present when, in the judgment of the Board of Directors, an Insider’s stake in the transaction is such that it reduces the likelihood that an Insider’s influence can be exercised impartially in the best interests of the Corporation.

Transaction means any transaction, agreement, or arrangement between an Insider and the Corporation, or between the Corporation and any third party where an Insider has an interest in the transaction or any party to it. Transaction does not include compensation arrangements between the Corporation and an executive officer or other Insider that are wholly addressed under the Corporation’s Compensation Policy (reference Article 7 of the Corporation’s By-Laws).

Article 3 - Procedures

1. Duty to Disclose

Each Insider shall disclose to the Board of Directors all material facts regarding his or her interest in the transaction, promptly upon learning of the proposed transaction.

2. Determining Whether a Conflict of Interest Exists

With regard to an Insider, the Board of Directors shall determine if a conflict of interest exists. The Insider(s) and any other interested person(s) involved with the transaction shall not be present during the Board of Directors's discussion or determination of whether a conflict of interest exists, except as provided in Article 4 below.

3. Procedures for Addressing a Conflict of Interest

The Board of Directors shall follow the procedures set forth in Article 4 of this Conflict of Interest Policy in order to decide what measures are needed to protect the Corporation's interests in consideration of the nature and seriousness of the conflict, to decide whether to enter into the transaction, and, if so, to ensure that the terms of the transaction are appropriate.

Article 4 - Review by the Board of Directors

Whenever the Corporation is considering acquiring goods or services from, or entering into a transaction with, an Interested Party, the details that create the Interested Party relationship shall be disclosed, in writing delivered via e-mail, to the each Director.

The Board of Directors may ask questions of and receive presentation(s) from the Insider(s) and any other interested person(s), but shall deliberate and vote on the transaction in their absence. The Board of Directors shall ascertain that all material facts regarding the transaction and the Insider's conflict of interest have been disclosed to the Board of Directors and shall compile appropriate data, such as comparability studies, to determine fair market value for the transaction.

After exercising due diligence, which may include investigating alternatives that present no conflict, the Board of Directors shall determine whether the transaction is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable to the Corporation; the majority of disinterested members of the Board of Directors then in office may approve the transaction.

Article 5 - Records of Proceedings

The minutes of any meeting of the Board of Directors pursuant to this policy shall contain the name of each Insider who disclosed or was otherwise determined to have an interest in a transaction; the nature of the interest and whether it was determined to constitute a conflict of interest; any alternative transactions considered; the members of the Board of Directors who were present during the deliberations on the transaction, those who voted on it, and to what extent interested persons were excluded from the deliberations; any comparability data or other information obtained and relied upon by the Board of Directors and how the information was obtained; and the result of the vote, including, if applicable, the terms of the transaction that was approved and the date it was approved.

Article 6 - Annual Disclosure and Compliance Statements

Each director, each executive officer, and each key employee of the Corporation, shall annually sign a statement on the form attached, that: 1) affirms that the person has received a copy of this Conflict of Interest Policy, has read and understood the policy, and has agreed to comply with the policy; and, 2) discloses the person's financial interests and family relationships that could give rise to conflicts of interest.

Article 7 - Violations

If the Board of Directors has reasonable cause to believe that an Insider of the Corporation has failed to disclose actual or possible conflicts of interest, including those arising from a transaction with a related interested person, it shall inform such Insider of the basis for this belief and afford the Insider an opportunity to explain the alleged failure to disclose. If, after hearing the Insider's response and making further investigation as warranted by the circumstances, the Board of Directors determines that the Insider has failed to disclose an actual or possible conflict of interest, the Board of Directors shall take appropriate action.

Article 8 - Annual Reviews

To ensure that the Corporation operates in a manner consistent with its status as an Corporation exempt from federal income tax, the Board of Directors shall authorize and oversee an annual review of the administration of this Conflict of Interest Policy. The review may be written or oral. The review shall consider the level of compliance with the policy, the continuing suitability of the policy, and whether the policy should be modified and improved.

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del Método Biointensivo de Cultivo en Nicaragua, Inc.
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ACKNOWLEDGMENT OF RECEIPT OF POLICY

I hereby acknowledge that I have received a copy of the Conflict of Interest Policy of the Centro de Capacitación, Investigación y Demostración del Método Biointensivo de Cultivo en Nicaragua, Inc., have read and understood it, and agree to comply with its terms.

Signature

Date

Printed Name

Title

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FINANCIAL INTEREST DISCLOSURE STATEMENT

The Corporation is required annually to file Form 990 with the Internal Revenue Service, which is available to the public. To complete Form 990, the following information must be obtained from each director, executive officer, and key employee.

Please check ONE of the following boxes:

My interests and relationships have not changed since my last disclosure of interests.
[Proceed to signature block below. Do not complete the tables.]

OR

I hereby disclose or update my interests and relationships that could give rise to a conflict of interest: [Complete the table below. Use additional pages as needed.]

Family Relationships	Names of those presenting a potential conflict of interest
Include spouse/domestic partner, living ancestors, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great grand-children, and spouses/domestic partners of brothers, sisters, children, grandchildren, and great grandchildren	

Type of interest	Description of interest that could lead to a conflict of interest
Transactions or arrangements with the Corporation	
Transactions or affiliations with other nonprofit Corporations	
Substantial business or investment holdings	
Transactions or affiliations with businesses not listed above	

I am not aware of any financial interest involving me or a family member that could present a conflict of interest that I have not disclosed either above or in a previous disclosure statement.

Signature

Date

Printed Name