MIDDLETOWN PORT AUTHORITY
CONFLICTS OF INTEREST POLICY

I. PURPOSE

It is policy of the Middletown Port Authority (the "Port Authority") to carry out its mission in accordance with the strictest ethical guidelines in order to foster confidence in the integrity of the Port Authority. The purpose of this Conflicts of Interest Policy (the "Policy") is to protect the interest of the public and the Port Authority when the Port Authority contemplates entering into transactions or arrangements that might benefit the private interests of the members of the Board of Directors of the Port Authority (the "Board") or Port Authority employees.

All Port Authority employees and members of the Board are public employees and are expected to avoid favoritism, bias, and the appearance of impropriety in all Port Authority transactions. Port Authority employees and Board members are subject to Ohio's ethics laws and are expected to be familiar with Ohio's ethics laws. This Policy is intended to supplement, but not replace, any applicable state laws governing conflicts of interest applicable to a public agency.

II. DEFINITIONS

"Interested Person" means any Port Authority employee, Board member, or member of a committee or subcommittee with Board delegated powers who has a direct or indirect Interest, as defined below.

"Interest" means a person who has, directly or indirectly, through business, investment or family:

a. an ownership or investment interest in any entity with which the Port Authority has or is negotiating a contract, transaction or arrangement;

b. outside private employment, a job offer, or other compensation arrangement with any entity or individual with which the Port Authority has a transaction or arrangement; or

c. a fiduciary interest, even in an unpaid capacity, in any entity with which the Port Authority has or is negotiating a contract, transaction or arrangement.

"Compensation" means direct or indirect remuneration, including substantial gifts or favors.

III. PROCEDURES

A. **<u>Duty to Disclose</u>**. All Port Authority employees and Board members have a duty to remain vigilant to potential conflicts of interest and to immediately disclose the existence of any potential conflict as soon as such potential conflict is recognized. Potential conflicts should be reported to the Executive Director or his or her designee. The Interested Person must immediately withdraw from all activity on behalf of the Port Authority related to any matter that is suspected of causing a conflict of interest until the conflict is resolved or disproven.

B. **<u>Addressing the Conflict of Interest</u>**. The Executive Director or his or her designee shall review the material facts with the Interested Person and, if necessary, confer with the Ohio Ethics Commission or Port Authority legal counsel to identify the nature and scope of the conflict. The Executive Director or its designee will also determine whether the Interested Person must continue to withdraw from all Port Authority matters involving the Interest and whether such withdrawal effectively avoids the conflict without undue disruption to Port Authority's business.

Determination regarding the appropriate management of conflicts of interest will be made by the Executive Director or his or her designee. If the Executive Director is the Interested Person, such determinations will be made by the Chairperson; provided, however, that if the Executive Director is the Chairperson of the Board, such determinations will be made by the Vice-Chairperson of the Board.

C. **<u>Violations of the Conflicts of Interest Policy</u>**. If any Port Authority employee or member of the Board has reasonable cause to believe that a colleague has failed to disclose actual or possible conflicts of interest, he or she shall inform the Executive Director or his or her designee.

If, after making such further investigation as may be warranted in the circumstances, the Executive Director or his or her designee determines that the Port Authority employee or Board member has in fact failed to disclose an actual or potential conflict of interest, the Executive Director shall take appropriate disciplinary and corrective action. Any failure to abide by this Policy will result in discipline and may result in civil or criminal sanctions under the law.

IV. ANNUAL STATEMENTS

Each Port Authority employee and Board member shall annually sign a statement which affirms that such person has received, read and understands this Policy and has, to the best of such person's actual knowledge, complied with the Policy at all times.