

Code of Ethics and Confidentiality Agreement

Board of Directors Code of Ethics and Confidentiality

In order to encourage and foster open and candid discussion at its meetings, the Board of the Museum of Chinese in America (MOCA) believes that confidentiality must be maintained. Therefore, it is agreed that each Board Officer or Board Director shall keep confidential any and all information relating to discussions at its meetings unless compelled by legal process to disclose such information, or as otherwise agreed by the Board. While Board Officers or Board Directors are free to discuss the result of Board action items, disclosing any information concerning the discussion of such items during the Board meeting is prohibited.

Board Officers or Board Directors acknowledge that any violation of this agreement could cause harm to MOCA and frustrate Board deliberations.

In order to ensure compliance with applicable laws and to protect MOCA, its Board Officers or Board Directors from potential legal problems regarding conflicts of interest and violation of fiduciary obligations, MOCA endorses and adopts the following statement:

I. Duty of Loyalty

Among the fiduciary obligations of Board Officer or Board Director of a non-profit organization is a duty of loyalty to the non-profit corporation. This includes supporting, and not opposing directly or indirectly or taking any other stance against, the policies and positions duly adopted by the Board of Directors. As representatives of MOCA, Board Officers or Board Directors are obligated to maintain this duty of loyalty in all manner of activities during their term of office. This duty of loyalty is not intended to, nor should it, discourage debate within Board or committee meetings. Such debate is encouraged and is part of the individual's responsibility in the deliberation process.

II. Confidentiality of Board Discussions and Board Documents

It is agreed that each Board Officer or Board Director shall keep confidential any and all information relating to discussions at its meetings, including any and all materials, e.g., presentations, correspondence, reports, etc., unless compelled by legal process to disclose such information, or as otherwise agreed by the Board.

III. Conflicts of Interest

One of the fiduciary obligations of a non-profit corporation Board Officer or Board Director is to avoid "conflicts of interest". A "conflict of interest" is generally defined as a transaction in which because the individual is, either directly or indirectly, a party to the transaction or possible beneficiary of the transaction, there is or may be a conflict between the individual's fiduciary obligations to the non-profit corporation and the individual's personal or business interest. To avoid potential conflict of interest problems, MOCA implements the following procedures:

1. In any transaction involving MOCA and a Board Officer or Board Director, and any corporation, partnership, or other entity in which an individual is a Board Officer or Board Director and expects or intends to have a financial or other beneficial interest, such individual, prior to any discussion or decision concerning the transaction, shall fully disclose to the Board or the appropriate committee considering the transaction the material facts of the transaction and the individual's interest or relationship.
2. Upon such disclosure, the individual shall take no further part in the meeting during which time the proposal is considered and voted upon.

3. After receiving such disclosure, prior to approving the transaction, the Board must conclude that the transaction is “fair to MOCA” and must approve the transaction without the participation or the vote of the interested individual.
4. The interested individual’s presence at the meeting may be counted in determining whether a quorum of the Board is present, but that individual shall not vote on the transaction.

IV. Fiduciary Obligations as to MOCA Opportunities

In addition, a Board Officer or Board Director is prohibited from seizing a “corporate opportunity” for his or her company’s benefit. This means that such an individual may not take advantage of a business opportunity in which the Board Officer or Board Director knows MOCA has a genuine interest and where such an opportunity would be consistent with MOCA’s purposes, mission, and goals as a non-profit corporation. Further, if the Board Officer or Board Director becomes aware of such an opportunity, he or she is obliged to so inform MOCA and allow MOCA to act first.

V. Participate on Deliberations and Actions

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

VI. Abiding by the Code of Ethics and Duty of Confidentiality

A breach of the Code of Ethics and duty of confidentiality may result in removal from the Board in accordance with Article XI Section 2 of the Museum of Chinese in America Bylaws.

I have read and understand the above expectations for the position of Board Officer or Board Director for MOCA and agree to abide by the Code of Ethics and duty of confidentiality.

Board Director Signature: _____ Date: _____