

Crossroads Diversified Services, Inc.

**POLICY STATEMENT**

**Subject:** Financial Matters between the Organization and Directors  
**Authority to amend/repeal:** Board of Directors  
**Date Approved:** January 22, 2009  
**Reference:** CARF 2008 Section B.2.c.(5).

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**POLICY**

It is the policy of Crossroads Diversified Services, Inc., that members of the Board of Directors (Directors) shall not engage in financial matters, either individually or collectively, with the organization, including:

- (1) Receiving compensation for services or gifts provided to the organization
- (2) Accepting from, or giving loans to the organization
- (3) Owning stock of any affiliate corporation of Crossroads Diversified Services, Inc.
- (4) Other matters of financial interest not identified above, or discussed below.

Directors may be reimbursed for customary and reasonable expenses incurred in connection with the legitimate business of the organization, and with prior approval of the President/CEO.

Directors may make charitable and/or *pro bono* contributions to the organization, but in no instance may the contribution be offered or accepted under circumstances where the Director obtains real or apparent consideration or economic benefit, other than that permitted by law, e.g., tax deductions for charitable donations.

A Director may be associated with an entity or individual with whom the organization has, or may wish to have, a contractual relationship. In such instance, the Director, another Director or the President/CEO, should inform the Board of a potential conflict of interest. The Board of Directors will render a decision consistent with the conflict of interest provisions in the corporate bylaws.

Any Director found to have violated this policy may be dismissed from the Board.