

General Service Board of Alcoholics Anonymous, Inc. Code of Conduct

I. Introduction

Statement of Principles

This Code of Conduct (Code) is meant to provide guidance to all those serving on the General Service Board of Alcoholics Anonymous, Inc. (GSB), and its committees (Board Servants). The Code is meant to be used in conjunction with each Board Servant's commitment to conduct him/herself in accordance with A.A.'s Twelve Steps, Twelve Traditions and Twelve Concepts. In addition, each Board Servant has a fiduciary obligation to comply with the Board's governing documents, including Board bylaws and policies and New York State and federal laws related to nonprofit organizations.

Purpose and Scope

The General Service Board establishes this Code to aid its Board Servants in making spiritual, ethical and legal decisions when providing services in support of A.A.'s mission and performing their day-to-day duties as Board Servants.

The GSB expects its Board Servants to exercise reasonable judgment when conducting GSB business. The Board encourages its Board Servants to refer to this Code frequently to ensure that when Board Servants act on behalf of the GSB, they are acting within both the letter and the spirit of this Code and A.A.'s guiding principles. The GSB also understands that this Code will not contain answers to every situation encountered or every concern one may have about conducting the business in support of A.A.'s mission in an ethical, legal and spiritual manner. In these situations, or if there are questions or concerns about this Code, the Board Servant should share those concerns with the GSB chair or designee.

Contents of this Code

This Code has two sections that follow this Introduction. The first section, "**Standards of Conduct**," contains the actual guidelines that GSB Board Servants are expected to adhere to in the conduct of A.A.'s business. The second section, "**Procedures**," contains specific information about how this Code functions, including who administers the Code, who can provide guidance under and about the Code, and how conduct that may violate the Code may be reported, investigated and resolved. This section also contains a discussion about waivers of and amendments to this Code.

Other Obligations

Board Servants generally have a variety of legal and fiduciary obligations to the GSB. This Code is not intended to reduce, limit or otherwise modify those other obligations. Instead, the Code should be viewed as the minimum standards that the GSB expects from Board Servants in the conduct of GSB business.

Board Servants are also expected to exercise good judgement in all of their conduct that may reflect on the General Service Board. This includes interactions with fellow Board members, members of the Fellowship and staff. It also includes any presence in social media. Board Servants are expected to treat fellow Board members, members of the Fellowship and staff with courtesy and respect. For staff, this respect extends to respecting hours of work and their rights and other responsibilities as employees of their respective employer. Any posting, comment or other presence on social media should be characterized by our principles of respect, humility and anonymity.

II. Standards of Conduct

Conflicts of Interest

The GSB operates under a conflict of interest policy. Each Board Servant acknowledges that they have read and received this policy annually during the duration of their service to the Board. (See attached.)

Compliance with Laws, Rules and Regulations

The GSB and its affiliates seek to conduct its mission in compliance with applicable laws, rules and regulations, guided by the Twelve Traditions and Twelve Concepts of Alcoholics Anonymous. No Board Servant shall knowingly engage in any unlawful activity in conducting the GSB's mission or in performing his or her day-to-day duties, nor shall they knowingly instruct others to do so.

Confidentiality and Transparency

The ability of the GSB to engage in open and free exchange of views, prior to developing a fully informed group conscience, is paramount to its success in serving the Fellowship of A.A. Also, the GSB strives to be open and transparent among themselves, their affiliate corporate boards and the Fellowship. To this end, the Confidentiality Policy of the General Service Board provides a guide for all Board Servants to meet this goal. (See attached.)

Fair Dealing

Competing vigorously, yet lawfully, with competitors and establishing advantageous, but fair, business relationships with customers and suppliers (e.g., in the publishing, conference, or strategic planning domain) is a part of the foundation for long-term success. However, unlawful and unethical conduct, which may lead to short-term gains, may damage the GSB's reputation and long-term business prospects. Accordingly, it is the GSB's policy that Board Servants must endeavor to deal ethically and lawfully with their suppliers, competitors and employees in all business dealings on behalf of the GSB. No Board Servant should knowingly take unfair advantage of another person in business dealings on behalf of the GSB through the abuse of privileged or confidential information or through improper manipulation, concealment or misrepresentation of material facts.

Accuracy of Records

The integrity, reliability and accuracy in all material respects of the GSB's books, records and financial statements is fundamental to its continued and future success. No Board Servant may cause A.A. to enter into a transaction with the intent to document or record it in a deceptive or unlawful manner. In addition, no Board Servant may create any false or artificial documentation or book entry for any transaction entered into by the GSB. Similarly, Board Servants who have responsibility for accounting and financial reporting matters have a responsibility to accurately record all funds, assets and transactions on the GSB's books and records.

Quality of Public Disclosures

The GSB is committed to providing its Board Servants and the Fellowship with information about its financial condition and results of operations as required by the tax laws of the United States and the New York Non-Profit Revitalization Act and, where applicable, other foreign jurisdictions. It is the GSB's policy that the reports and documents it files with or submits to regulatory agencies, and its financial statements and similar public communications made, include fair, accurate, timely and understandable disclosure. Board Servants who are responsible for these filings and disclosures, including the principal executives of GSB's subsidiary corporations, and all financial and accounting officers, must use reasonable judgment and perform their responsibilities honestly, ethically and objectively in order to ensure that this disclosure policy is fulfilled. Senior management is primarily responsible for monitoring the GSB's public disclosures.

Fiduciary Responsibility

In compliance with New York State law all Board Servants must discharge the duties of their respective positions in good faith and with the degree of diligence, care and skill that prudent people would exercise under similar circumstances. This

standard of conduct is referred to as one's fiduciary duty and includes the duty of care stated in the prior sentence, as well as the duty of loyalty to the best interests of the GSB and the duty of obedience to the mission of the GSB. Additional information about fiduciary responsibility can be found on the New York Attorney General's website: www.charitiesnys.com.

Working with Each Other; Unity and Cooperation

The mission of the GSB is to serve the Fellowship of Alcoholics Anonymous. This mission is directly tied to the welfare of the Fellowship and the sick and suffering alcoholic who has not yet found A.A. In all dealings, deliberations and decisions, the GSB and its Board Servants shall be guided by and uphold the Twelve Steps, Twelve Traditions and Twelve Concepts. All Board Servants are expected to treat each other with respect, courtesy and dignity.

III. Compliance Procedures

Communication of Code

All Board Servants will be supplied with a copy of this Code upon beginning their service to the GSB. A copy of the Code is also available by request from the chair of the GSB or specified designee. Any amendments to the Code will be provided immediately upon their approval.

Compliance and Administration of This Code

The GSB reviews this Code annually and the GSB chair holds the responsibility of its administration.

Reports of noncompliance with the Code and/or requests for guidance about the Code can be brought to the GSB chair. Reports and requests should be brought without fear of reprisal; because of their potentially sensitive nature, all reports are held in the strictest of confidence. Upon receipt of such reports or inquiries, the GSB and its chair may make reasonable recommendations and take reasonable action to aid in compliance with this Code.

Where it is established that a Board Servant has not complied with this Code, remedial or corrective action may be recommended or taken, at the discretion of the GSB as outlined in the Bylaws.

The GSB and its chair shall periodically report to the Board on compliance efforts, including periodic reporting of any noncompliance with the Code and any actions recommended or taken regarding such noncompliance.

While carrying out the administration of this Code, the GSB chair shall be guided by the Twelve Steps, Twelve Traditions and Twelve Concepts and applicable legal standards. Particular attention is to be paid to the principle within Warranty Five of the General Service Conference Charter (Concept XII), that no action ever be personally punitive or an incitement to public controversy.

New York Nonprofit Revitalization Act Policies

The GSB has adopted Conflict of Interest and Whistleblower Policies, which all Board Servants are expected to be familiar with. The policies provide further guidance and are supplied at the beginning of the Board Servant's service.

Waivers

No waiver of any provisions of the Code for the benefit of a Board Servant (which includes, without limitation, for purposes of this Code, A.A.'s executive team, financial and accounting officers) shall be effective unless (i) approved by the General Service Board of Trustees, and (ii) if applicable, such waiver is promptly disclosed to the Fellowship of A.A. in accordance with applicable A.A. Traditions and Concepts.

Amendments

This Code can be amended at any time. Amendments may be proposed by any Board Servant, submitted to the GSB chair and must be approved by a two-thirds majority of the current membership of the GSB.

General Service Board of Alcoholics Anonymous, Inc. Confidentiality Policy

The ability of the General Service Board (GSB) to engage in open and free exchange of views is paramount to its success in serving the Fellowship of A.A. GSB members shall maintain confidentiality appropriate to issues of a sensitive nature. While not exclusive, the following are examples of matters which must be kept confidential:

1. Executive sessions of the GSB;
2. The names of GSB members who express a particular viewpoint during deliberations;
3. The names of persons who are the subject of GSB discussions;
4. Matters relating to personnel employed by the SERVICE corporations or serving other A.A. service entities;
5. Discussions which do not result in any action being taken by the GSB;
6. Proprietary information of the GSB or its SERVICE CORPORATIONS.

If a matter is considered by the GSB to be confidential, this designation encompasses the related deliberations of the GSB, as well as any documents, notes, files, records or related materials.

GSB members must not disclose any confidential information purposefully or inadvertently by any means. ANY MEMBER THAT CANNOT ABIDE BY THIS POLICY ON A PARTICULAR ISSUE SHOULD REMOVE HIM/HERSELF FROM THE ROOM AS SOON AS HE/SHE FEELS IT IS NECESSARY.

Background: As members of the Fellowship sometimes express concern about confidential proceedings at the Board level, it may help to provide some context-setting regarding Board confidentiality. Confidential discussions occur as the Board is building its substantial unanimity around a particular or sensitive issue. With the security of confidentiality, personalities are minimized in favor of open and unfettered discussion. The Board seeks Fellowship input on a regular basis, yet as the Board's views are coalescing, confidentiality is necessary. Once the Board has recommended a particular action or made a decision on a given issue, it becomes the proper subject for Fellowship input. The Board may also determine that it would like to reconsider a particular decision it has made, which, similarly, would require the same level of confidentiality.

The Board's confidential discussion of sensitive issues achieves three purposes: (1) open, frank discussion on matters before decisions are made, which allows people to change their opinions as they become fully informed; (2) protect against premature disclosure of proposed policies and avoid defending positions that are never adopted; and (3) protect against the Fellowship's confusion that might result from disclosure of reasons and rationales that were not in fact ultimately the grounds for a particular decision.

**The General Service Board of Alcoholics Anonymous, Inc.
Conflict of Interest Policy**

**Article I
Purpose**

The purpose of the conflict of interest policy is to protect the interests of the General Service Board of Alcoholics Anonymous, Inc. (GSB) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or trustee of GSB or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

**Article II
Definitions**

1. **Interested Person** — Any trustee, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. **Financial Interest** — A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which GSB has a transaction or arrangement;
 - b. A compensation arrangement with GSB or with any entity or individual with which GSB has a transaction or arrangement; or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which GSB is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the Board of Trustees or a committee thereof decides that a conflict of interest exists.

Article III Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Trustees or committee thereof who will consider the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at a Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The Chair of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board or committee shall determine whether GSB can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in GSB's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV
Records of Proceedings

The minutes of the Board of Trustees and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V
Compensation

- a. A voting member of the Board of Trustees who receives compensation, directly or indirectly, from GSB for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from GSB for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the Board of Trustees or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from GSB, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI
Annual Statements

Each trustee, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands GSB is charitable and in order to maintain its federal tax exemption must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII
Periodic Reviews

To ensure GSB operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to GSB's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, GSB may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

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