

**OXNARD UNION HIGH SCHOOL  
DISTRICT RETIREE HEALTH BENEFITS TRUST**

**ETHICS, CONDUCT AND CONFLICT OF INTEREST POLICY**

All individuals responsible for administration of the Trust and the investment of its assets have a special obligation to act with utmost integrity and wholly in accord with the ethical standards in this policy, complying with both the letter and spirit of relevant laws and regulations. Thus, to assure Participants of the fidelity and probity of Trustees and Trust employees, the following shall serve as the Trust's Ethics, Conduct, and Conflict of Interest Policy ("Policy").

**ARTICLE 1  
DUTIES**

1. **Duty of Care.** Individuals (defined in Article 7, herein) who are exercising fiduciary duties shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. This "prudent person" standard focuses on the process a fiduciary undertakes in reaching a decision.
2. **Duty of Loyalty.** Individuals shall discharge their responsibilities to the Trust with undivided loyalty to the interest of the Trust and the Plan.
3. **Governing Documents.** Individuals shall act in accordance with the Trust's governing documents, including the Plan Documents, Trust Agreement and all Trust Policies.

**ARTICLE 2  
DISCLOSURE**

1. **Duty to Disclose.** An Individual is under a duty to disclose when he or she has an actual or potential conflict of interest (including a Financial Interest or Co-Investment Interest), or is in doubt about the appropriate application of the Policy. The Individual shall report the facts and circumstances of the matter to the Chair of the Audit Committee (or Trustee designated to fill this function) as soon as it is known, or reasonably should be known, and shall govern himself or herself in accordance with the instructions received. The Chair of the Audit Committee (or Trustee designated to fill this function) shall report the facts and circumstances of any actual or potential conflict directly to the other members of the Audit Committee or, if none, then to the whole Board. Except as otherwise directed by those instructions, the Individual shall not participate in any discussion or decision relating to such matter.
2. **Annual Questionnaire.** Upon an Individual's initial association with the Trust, and annually thereafter, the Audit Committee (or equivalent designated Trustees)

shall require Trustees and Employees designated by the Plan Administrator to complete a confidential questionnaire regarding the Policy, in the form attached hereto as Appendix A, or as subsequently revised or amended.

### **ARTICLE 3 ETHICS AND BUSINESS CONDUCT**

1. **Illegal or Unethical Conduct.** No Trust Employee or Trustee shall take any illegal or unethical action, even if it might appear to benefit the Trust.
2. **Protection of Trust Assets.** Trust Employees and Trustees shall at all times act so as to protect and preserve, prevent waste and abuse of, and never use, Trust assets for personal purposes unless upon specific, advance written authorization.
3. **Bribes and Kickbacks.** No Trust Employee or Trustee shall ever offer, give, solicit or receive any form of bribe or kickback.
4. **Cooperation in Investigations.** Trust Employees and Trustees shall cooperate in any internal investigations and never destroy or alter any documents or electronic records, lie to or mislead an investigator, or obstruct the collection of information relating to an investigation or any legal action involving the Trust.
5. **Use of Trust Property, Information or Opportunities; Required Disclosures.** No Individual shall use his or her position with the Trust to advance outside personal interests or use Trust property, information or opportunities for personal gain. Individuals shall always provide written disclosure of actual or potential conflicts of interest as soon as they become aware of them.

### **ARTICLE 4 CONFLICTS OF INTEREST**

1. **Conflict of Interest.**
  - a. **General.** A conflict of interest generally exists when an Individual has divided loyalties, such as a direct or indirect personal interest in a transaction or matter such that it might (i) reasonably appear to affect the Individual's judgment exercised on behalf of the Trust, (ii) adversely influence the Individual's Trust votes or other actions, or (iii) lead the Individual to neglect Trust business, duties or obligations.
  - b. **Specific.** A conflict of interest would arise when an Individual's independence or objectivity in the discharge of responsibilities to the Trust is impaired as a result of his or her existing or potential Financial Interest, Co-Investment Interest, or other material interest.

2. **A Potential Conflict of Interest** exists where:
  - a. an Individual has or intends to have a direct or indirect Financial Interest, Co-Investment Interest, or other material interest;
  - b. an Individual is engaged in, or intends to engage in, an activity that may reasonably present a Conflict of Interest within the meaning of this Policy;  
or
  - c. it is reasonably likely that an objective observer may perceive an Individual to have a Conflict of Interest.
3. **Plan Participation Exception.** For purposes of this Policy, a conflict of interest shall not result solely because an Individual is a Beneficiary of the Plan, or is a Trustee or a Trust employee, and in that capacity is a recipient of benefits from the Trust. Further, no conflict of interest shall result because an Individual in their capacity as a Trustee may deliberate and vote with respect to interest credit allocations, or changes or amendments to the Plan, provided, that they shall not act or vote on any matters pertaining solely to their own benefits under the Plan unless such vote affects all Participants alike.
4. **Conflicts of Interest & Recusal Procedures.** After disclosure of an actual or potential conflict of interest and all material facts, and following discussion with the Interested Person, the Chair of the Audit Committee (or Trustee designated to fill this function) will determine whether a conflict of interest exists. In the event an actual or potential conflict of interest arises, then unless and until the Interested Person receives contrary instructions from the Chair of the Audit Committee (or Trustee designated to fill this function), the following procedures shall apply:
  - a. The Interested Person shall not participate in any formal or informal discussion of, or any decision or vote on the contract, relationship, person or organization with respect to which the actual or potential conflict of interest may relate. Notwithstanding the foregoing, such an Interested Person who is a Trustee may be counted to establish a quorum for meetings.
  - b. Unless invited to answer questions or participate in discussions, the Interested Person shall temporarily absent themselves from meetings (or the relevant portion thereof) in order to allow the remaining persons or

members of the Board or Audit Committee to engage in a full discussion regarding the contract, relationship, individual or organization in question.

- c. If the Interested Person is a Trustee and a vote is taken, then such Trustee shall abstain from voting and the minutes of the Audit Committee or the Board meeting shall record this fact.
5. **Documentation.** The minutes of any meeting at which a transaction involving an actual or potential conflict of interest is considered shall reflect that: (a) the Interested Person made disclosure, withdrew from consideration of the transaction, and abstained from voting, or (b) the Interested Person made disclosure, but continued to participate pursuant to instructions received from the Chair of the Audit Committee (or Trustee designated to fill this function), which instructions shall be noted in the minutes. The minutes therefore shall detail the terms of the transaction, the date the transaction was approved, the Trustees present during the debate and who voted on the transaction, any data the Trustees relied upon in determining whether the transaction is reasonable and in the best interests of the Trust, how such comparability data was obtained, the disclosures made by the Interested Person, and whether the Interested Person otherwise participated in any discussions or proceedings. As with all minutes, the minutes documenting a conflict of interest situation shall be reviewed and approved by the Board or appropriate Committee at its next meeting.
6. **Violations of this Policy.** If the Board or a Committee has reasonable cause to believe that an Individual has acted in violation of this Policy, or has failed to disclose an actual or potential conflict of interest, it shall inform the Chair of the Audit Committee (or Trustee designated to fill this function) and such Individual of the basis for such belief. The Audit Committee (or equivalent designated Trustees) shall afford such Individual an opportunity to explain the matter. If, after hearing the response and making such further investigation as may be warranted by the circumstances, the Audit Committee (or equivalent designated Trustees) determines that such Individual has in fact acted in violation of this Policy or has failed to disclose an actual or potential conflict of interest, it shall take appropriate action, which may include a recommendation to the Board for removal from the Board or termination of employment (for staff members), as appropriate, as well as reconsideration of whether the act, omission, transaction or arrangement was in the best interests of and fair and reasonable to the Trust at the time it was undertaken. If it is determined that the act, omission, transaction or arrangement was not fair and reasonable to the Trust, the Board, in its discretion, may void any contract entered as a consequence of the violation and/or require such Interested Person to restore the Trust to the financial position it would have been in if such Interested Person had been acting in compliance with this Policy. Where the latter remedy is employed, such Interested Person shall be required to make payments of cash or property to the Trust in amounts equal to the value of the excess benefit he or she received plus interest. Any Interested Person who violates this Policy also may be liable for taxes imposed under the federal intermediate sanctions regulations.

**ARTICLE 5  
ADMINISTRATION OF POLICY**

1. **Administration Responsibility.** The Audit Committee (or equivalent designated Trustees) shall be responsible for the administration of this Policy. This Policy may be amended from time to time by the Board, and the Board shall review the Policy annually to ensure its continued appropriateness and applicability.
2. **Reporting Suspected Violations.** Individuals have a duty to report suspected violations of the Policy to the Chair of the Audit Committee (or Trustee designated to fill this function). If a violation is determined to have occurred, the Audit Committee (or equivalent designated Trustees) shall make appropriate recommendations to the Board.
3. **Policy Interpretation.** The interpretation of the Policy is one of caution and conservatism. While primary reliance is placed on the good judgment and integrity of Individuals, they are expected to err on the side of strict adherence to the Policy. However, it is not the intent of this Policy to prevent an Individual from investing in publicly traded securities of issuers in which the Trust has an interest or with which the Trust does business. This Policy also is not meant to preclude an Individual from holding other equities or debt instruments that could not be expected to adversely affect the performance of his or her duties. Special caution shall be taken in the timing of purchases and sales.
4. **Applicable Law.** This Policy is in addition to any other duties and responsibilities imposed on Individuals by applicable law or regulation.

**ARTICLE 6  
OTHER RULES**

1. **No Promotion of Personal Interests.** Individuals shall avoid promoting their personal interests by reason of their connection with the Trust. An Individual shall use special caution to avoid investments or transactions that may be interpreted as attempting to profit from special knowledge of the Trust's investment operations or other confidential information obtained by reason of the Individual's duties.
2. **Outside Interests.** Trustees and Employees shall avoid outside officerships, directorships, trustee partnerships, trusteeships, employment, and other business involvement and investments that may adversely affect the performance of their duties. Individuals shall disclose any positions or interests that may be interpreted as adversely affecting the performance of their duties. Each Trustee shall disclose: (i) outside directorships in any for-profit entity; and (ii) any change in his/her employment.
3. **Gifts or Benefits.** Individuals shall avoid receipt of benefits, favors, gifts or entertainment that may influence the performance of their duties or where it might be inferred that the party providing the gift or benefit is intending to

influence the Individual. This does not preclude the acceptance of items or benefits of nominal or insubstantial value or that are not related to any particular transaction or arrangement of the Trust.

4. **Confidential Information.** In the course of their duties, Individuals may receive confidential information concerning the Trust, its administration, financial transactions, or Participants. Such information shall be used only for Trust purposes and shall not be disclosed to any third parties.
5. **Nondiscrimination.** Individuals shall treat other Individuals, beneficiaries and others without regard to race, color, religion, age, national origin, sex, sexual orientation, marital status, disability, genetic predisposition or carrier status, citizenship or military status. Issues arising under the Trust's equal employment opportunity policy, including the policy against harassment, are not covered by this Policy, and the mechanisms for resolving such issues are addressed in separate procedures in the Trust's Personnel Handbook.
6. **Trust Recordkeeping.** Individuals charged with keeping Trust records shall do so in a complete and accurate manner, and no undisclosed or unrecorded Trusts or accounts of the Trust may be established for any purpose.
7. **No Legal/Tax Advice.** Individuals acting on behalf of the Trust shall not provide accounting, legal or tax advice to Beneficiaries.

## **ARTICLE 7 DEFINITIONS**

1. **Board** shall mean the Board of Trustees of the Trust.
2. **Committee** shall mean any duly authorized committee of the Board.
3. **Beneficiary** shall mean an individual who is intended to benefit from the Trust.
4. **Co-Investment Interest.** An Individual has a Co-Investment Interest if he or she has personal Trusts invested with an investment manager who is providing, or expected to provide, investment management services to the Trust. For purposes of comparison, an investment "in" the same entity or product is a Financial Interest as compared to an investment "with" the same manager in a different entity or product, which is a Co-Investment Interest. For the avoidance of doubt, Family Members' Co-Investment Interests do not require disclosure.
5. **Compensation** includes direct and indirect remuneration and/or payment/reimbursement of expenses, as well as gifts or favors that are significant in nature.
6. **Family Member** shall mean a person's spouse or domestic partner, ancestors, siblings, children, grandchildren and great grandchildren, and the spouses of siblings, children, grandchildren and great grandchildren.

7. **Financial Interest.**

- a. An Individual has a Financial Interest if he or she has, directly or indirectly, through business, investment or a Family Member:
  - i. An ownership or investment interest in any entity with which the Trust has a transaction or arrangement;
  - ii. A compensation arrangement with the Trust or with any entity or individual with which the Trust has a business transaction or arrangement (e.g., sale, lease, license, performance of services); or
  - iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Trust is negotiating a business transaction or arrangement (e.g. sale, lease, license, performance of services).
- b. Financial Interest does not include the following:
  - i. An equity interest (e.g. stock, stock option, or other ownership interest) in a publicly traded entity; or
  - ii. An ownership interest in retirement accounts or non-discretionary trusts where an Individual does not have the ability to control or exert influence over the investment decisions made in such vehicle.

8. **Interested Person** shall mean any Individual who has an actual or potential conflict of interest.

9. **Trust** shall mean the Oxnard Union High School District Retiree Health Benefits Trust.

10. **Trustee** shall mean a member of the Board of Trustees.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2023.

Board of Trustees

OXNARD UNION HIGH SCHOOL

DISTRICT RETIREE HEALTH BENEFITS TRUST

By: \_\_\_\_\_  
Chair

## APPENDIX A — ANNUAL QUESTIONNAIRES

### ANNUAL QUESTIONNAIRE ON CONFLICT OF INTEREST (TRUSTEES)

**For questions 1-4, please check True or False. If False, please briefly explain on a separate sheet.**

1. I have not received any compensation from the Trust or its Plan, except for reimbursement for expenses necessarily incurred in connection with my service on the Board of Trustees.
2. I have not received any loan from the Trust or the Plan.
3. I am not a former employee of the Trust or of its auditor \_\_\_\_\_.
4. I have not served as a paid consultant to the Trust or the Plan, nor has my firm, company or any organization in which I have a substantial interest provided any paid products or services to or for the Trust or the Plan.

**For questions 5-17, please check yes or no. If yes, please briefly explain on a separate sheet.**

5. Have you ever been accused, found guilty, or held liable for a breach of trust, or ever been convicted of criminal conduct?
6. Have any fiduciary claims (not benefit claims) been made against any benefit plan of which you have been a fiduciary in the last five years?
7. Have you ever given written notice under a fiduciary insurance policy that may have given rise to a fiduciary claim against any insured person?
8. Have any loss payments ever been made on your behalf under any fiduciary insurance policy?
9. Are you aware of anything that may give rise to a future claim under the Trust's fiduciary insurance?
10. Are you presently aware of an actual or Potential Conflict of Interest (including an existing or potential Financial Interest or Co-Investment Interest) that you have as defined by Section 1.9 of the Policy?

If the answer to this question is Yes, please attach a separate sheet describing such Potential Conflict of Interest.

11. Have you ever been involved in anti-trust, copyright, or patent litigation?
12. Have you ever been involved in a civil or criminal action, or administrative proceeding charging a violation of federal or state securities laws or regulations?



13. Have you ever been involved in any other criminal actions?
14. Have you ever given written notice under a directors and officers insurance policy that may have given rise to a claim against any insured person?
15. Have any loss payments ever been made on your behalf under any directors and officers insurance policy?
16. Are you aware of anything that may give rise to a future claim under the Trust's directors and officers insurance?
17. Do you hold any director, trustee or officer positions in any for profit entity?