



STATEMENT OF PRINCIPLES

ETHICAL BEHAVIOR AND CONFLICT OF INTEREST

Application: This Statement of Principles -- Ethical Behavior and Conflicts of Interest applies to all USATKD employees, officers, members of the Board of Directors, Committee and Task Force Members, hearing panel members, volunteers with substantial decision-making authority, and contractors who have been required to adhere to this Statement through their written contracts with USTKD. These disclosures shall also apply on an ad hoc basis (as opposed to annual reporting) with respect to participation in any athlete selection procedure.

Overview of Principles: Those who choose to serve USATKD in any capacity are held to the highest standards of conduct and are obligated to recognize and to attempt to avoid any activity or investment that constitutes or right appears to constitute a conflict of interest. As guardians of Olympic ideals, they assume an obligation to subordinate individual interests to the interests of the Olympic movement. What may be considered acceptable conduct in some businesses may be inappropriate in Olympic service.

Those who serve USATKD must do so without personal gain, avoid any institutional loss or embarrassment and to behave in such a way that the organization's trust and public confidence are enhanced. It is important to avoid any real conflict of interest as well as to avoid even the appearance of a conflict of interest.

While no set of guidelines can guarantee acceptable behavior, the principles which guide behavior in this area are: disclosure of potential conflicts, physical absence and nonparticipation in the decision making process where personal or family gain is (or may appear to be) a possibility; and a commitment to honor the confidentiality of organizational information. All conduct is founded on the individual's sense of integrity. Any individual accepting the honor of serving USATKD must also accept the burdens of public disclosure and public scrutiny.

These Principles also embody the fundamental consideration that appearances of conflicts in an individual's behavior or associations can be as damaging as actual conflicts, and USATKD is careful to avoid such appearances even when the parties involved may not feel that actual conflicts exist.

For purposes of this Statement, a "conflict of interest" is any relationship, association or

circumstance that an individual (or an individual's family member or close associate) has with another person or entity, which relationship, association or circumstance might interfere with the individual's fiduciary obligation to act in the best interests of USATKD rather than in favor of any other interest. An association or circumstance can be a family relationship, ownership of business interests, service on the Board of Directors of a different entity, being employed by another entity, the individual's personal aspirations, etc. These are listed by way of example only and not by way of excluding other relationship, association or circumstance.

The following guidelines are not a precise roadmap to acceptable conduct. They are signposts.

1. The business of USATKD is to be conducted in observance of both the spirit and the letter of applicable federal and state laws.
2. USATKD properties, services, opportunities, authority, and influence are not to be used for private benefit.
3. All members of the USATKD board of directors, hearing panels, committee members, candidates for office, executive staff and other staff members as directed by the CEO, will be required to complete a USATKD Conflict of Interest Disclosure Statement. All such individuals will make full disclosure of the nature and extent of any actual or potential conflict of interest. In the consideration of an issue where possible conflicts exist, such individuals will avoid evaluation, or in any other way influencing, directly or indirectly, or voting on the matter involved, and will be physically absent during the evaluation and vote. This includes, but is not limited to the award of contracts, the purchase of goods and services, and the allocation of USATKD resources.
4. Gifts and entertainment provided to covered individuals are governed by the Gift and Entertainment Policy.
5. Expenses incurred in the furtherance of USATKD business are to be reasonable, necessary and (if twenty-five dollars or more) substantiated.
6. All are expected to exhibit honesty, loyalty, candor and professional competence in their relationships with USATKD and with each other.
7. Each individual has the responsibility to maintain the confidentiality of the organization. This includes both proprietary and sensitive information.

Reporting: The management of conflicts for the protection of USATKD (and the individuals who participate) begins with full disclosure of actual or potential conflicts so as to permit management of those conflicts.

As set out below, covered individuals must report conflicts or potential conflicts annually through regular submissions of the attached form. In addition, covered individuals must report new relationships that could create conflicts or appearances of conflicts as they

arise. The forms will be reviewed by the Ethics Committee to ensure that no disclosures reveal relationships, associations or circumstances that might bar the individual from participating as a fiduciary of USATKD. In addition, every Board and committee meeting will begin with an invitation for members of the Board or committee to affirm on the record that they have reviewed the agenda and do not have any conflicts (or if they have conflicts, they will remove themselves from discussion of or voting on any affected matter), and the minutes from such meetings shall reflect such disclosures and any action.

Completed disclosure statements are reviewed by the executive staff of USATKD, except that disclosures by the CEO, Board and Committee members will be reviewed by the Ethics Committee. The executive staff of USATKD will enforce conflicts matters among staff, and the Ethics Committee is responsible for investigating and enforcing any conflicts grievances or complaints through the USATKD Complaints and Grievance Hearing Procedures, which can be accessed through <https://www.teamusa.org/usa-taekwondo/v2-resources/board-of-directors> (link on page) and are incorporated herein.

All inquiries and resolutions concerning the matters set forth above shall be documented and maintained with the specific Board/committee records. In addition, all decisions concerning ethics issues must be communicated in writing (including directions and acknowledgment of any remedial or prophylactic measures required) to the individuals and committees/Board involved, and such communications shall be maintained as part of the specific Board or committee records.

When the management of conflicts results in the imposition of specific measures to ameliorate or to manage such conflicts, those measures shall be set out in writing and communicated to the individual and Board/committee involved. The individual shall acknowledge in writing the receipt of the measures and that compliance with such measures is a continuing condition of membership.

As set out in the Hearing Procedures and the Whistleblower and Anti-Retaliation Policy, retaliation against an individual who files a conflicts complaint or participates in the adjudication of a complaint is strictly prohibited and will lead to sanctions against the violator.

In addition, any person affected by a decision or directive under this Policy may appeal the decision or directive in accordance with the USA-TKD Hearing and Complaint Procedures.

Contact Information:

This policy is administered by or under the direction of the CEO of USATKD, Steve McNally. He can be contacted at SMcNally@USATKD.org.

The Chair of the USATKD Ethics Committee is The Hon. Jamie Klein (Ret.) and he can be reached through Alyssa Allen, USATKD Membership Services, AAllen@usatkd.org.

Additional resources concerning conflicts issues and adjudications include:

USOPC Athlete Ombuds:

<https://www.teamusa.org/Athlete-Ombuds>

1-888-ATHLETE

USPOC Integrity Portal

<https://secure.ethicspoint.com/domain/media/en/gui/53006/index.html>

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Examples of Conflicts:

A. Chris is the Marketing Director of USATKD and is married to Kelly, the CEO of Kicking Back, a producer of Taekwondo training videos. USATKD is considering whether to accept Kicking Back as a sponsor for one big cash donation, or to accept a competing proposal from Leg Up Productions for more money, but spread over time. Chris honestly believes that the immediate cash offer is better because USATKD is about to invest in a new training center, and payments over time will not help in that endeavor. Can Chris participate in this decision? No – Chris has a marital relationship with Kelly under which would naturally be inclined to maximize Kelly’s value in Kicking Back. That relationship may also benefit Chris by virtue of any value to Kicking Back benefiting Chris as well. Even if Chris has excellent reasons for preferring the Kicking Back proposal, participation in the decision would create an *appearance* of a conflict because of those natural inclinations to prefer the interests of Kelly (or even himself) to those of USATKD.

B. Pat is a member of the Board of Directors, which is entrusted with the selection of a new Chief Executive Officer. Two candidates remain, one of whom is Adrian – a former student of Pat’s with whom Pat has a longstanding but often openly contentious relationship in the Taekwondo community because of a falling out many years ago over a personal incident. The other candidate for the CEO position, Blair, has exceptional credentials and outsiders all believe Blair will win the position. Pat shares this view, and indeed the Board appears to support Blair unanimously. Does Pat have a conflict? Yes – the circumstances of Pat’s and Adrian’s open hostility may be perceived as affecting Pat’s decision because of Pat’s personal distaste for Adrian and desire not to succeed Adrian to succeed.

C. Alex is an elite athlete who aspires to compete in the Olympics and World Championships. Alex has been coached by Portia for many years for a monthly stipend, and Portia recently became the part-time National Team Coach two years ago. As part-time National Team Coach, Portia’s responsibilities would normally include participating in drafting and administering the Athlete Selection Procedures. Portia encourages Alex to run for the AAC, and Alex proves so engaged that the AAC appoints Alex to the Team Selection Procedures Committee. Can Alex serve? No – because Alex has a direct interest in competing in the Olympics and World Championships, there is at least an appearance of conflict. Specifically, Alex has the ability to influence selection procedures that would facilitate Alex’s entry to the disadvantage of others.

D. Kendra is an elite athlete who has a lucrative and well-deserved sponsorship agreement with Nike. Kendra also serves on the AAC and is a Board member. Adidas enters into discussions with USA-TKD to serve as its “Official Taekwondo Shoe.” Can Kendra participate in the decision as to whether to grant Adidas an exclusive agreement? No – shoes are not “Personal Performance Gear” under USOPC guidelines and Kendra’s contract with Nike may be affected. In addition, her interest in Nike and its economic performance may be

a somewhat remote consideration as a practical matter, but certainly enough to create an appearance that her input could be affected by her professional association with Nike.



ACKNOWLEDGEMENT OF RECEIPT AND UNDERSTANDING

Please retain the Statement of Principles and return this acknowledgment along with the completed Conflict of Interest Disclosure Statement.

I acknowledge receipt and understanding of the USATKD Statement of Principles on Ethical Behavior and Conflict of Interest, and I pledge my full support of the spirit and the letter of the requirements contained herein. I have completed the attached Conflict of Interest Disclosure Statement completely and to the best of my knowledge.

(Printed Name)

(Signature)

(Date)



CONFLICT OF INTEREST DISCLOSURE STATEMENT

(Use additional sheets if necessary)

Disclosure of the information in this document is required of all USATKD employees, officer, members of the Board of Directors, Committee and Task Force Members, volunteers with substantial decision-making authority, and contractors who have been required to adhere to this Statement through their written contracts with USATKD. This information shall be submitted annually and updated as often as necessary (and upon any material change in the information set out in this form) to the CEO. Refusal to provide requested information by paid staff may result in such measures as suspension, reassignment of duties, disciplinary action or termination. Any material misrepresentation or material omission with respect to these disclosures may subject the individual to sanctions, including exclusion from any position with USATKD. This disclosure must also be made by any person standing for election to the USATKD Athlete Advisory Council.

In addition, when the disclosure results in direction by USATKD as to how to manage any conflict (declining to communicate with outsiders about a matter, recusal from any decision-making, avoiding participation in a matter, etc.) the failure to honor the directions may result in sanctions, including removal from any position with USATKD.

Personal Information:

Name _____

Title or Position _____

Office Address _____

E-mail Address _____

Home Address _____

Home Telephone _____

1. If you or any member of your immediate family is an officer, partner, owner or employee of any entity which does business with USATKD, please list the name and address of the entity(ies), the nature of your relationship with USATKD, and describe the dealings. Please provide written disclosure of the source(s) and amount(s) of annual income from table tennis related activities. If none, please state "none".

2. If you or any member of your immediate family holds an ownership interest in a closely-held company, or at least a 5% ownership interest in any public company, which does business with USATKD, please list the name and address of the entity(ies), the nature of your relationship with it, and describe the dealings. If none, please state "none".

3. If you have reason to believe that any of the entities with which you or immediate members of your family are affiliated may have business dealings with TKD in the future, please list those entities and the nature of such dealings. If none, please state "none".

4. If there is any relationship or matter not disclosed above which might be perceived to compromise your obligations to USATKD under its Statement of Principles or which may raise questions of a conflict between your duty and loyalty to USATKD and your economic self-interest, please indicate here what that relationship or matter is. If none, please state "none".

5. All candidates for positions with the USATKD Athlete Advisory Council must disclose any felony convictions, or any other period of ineligibility served in sport such as violations of anti-doping codes, the Athlete Classification Code (Paralympic only), or SafeSport violations. If you are a candidate, please disclose any such information below:
