

Conflict of Interest Policy Template

Article I: Purpose

This policy safeguards the integrity and legitimacy of the House of Stake and the NEAR Protocol by ensuring Delegates' personal, professional, or financial interests do not improperly influence, or appear to influence, their decisions and actions. The policy upholds transparency, accountability, and trust in all governance activities in alignment with the NEAR ecosystem's values of openness, fairness, and protocol-first decision-making.

Article II: Scope

This policy applies to all Delegates (both endorsed and otherwise), community members, and all individuals empowered to participate in or influence decisions arising from the House of Stake.

Article III: Definition

Delegates are expected to use the following 2x2 matrix to guide their conduct and participation:

	No Perception of COI	Perception of COI
No Actual Conflict	Green Light: Participate freely	Yellow Light: Disclose and consider recusal
Actual Conflict	Red Light: Recuse and disclose	Full Stop: Recuse, disclose, and abstain from all discussion & decision-making

Article IV: Examples

Below are practical examples to guide Delegates in identifying and managing conflicts of interest according to the framework:

✔ Green Light: No Actual Conflict + No Perception

You may participate without restrictions in the following scenarios.

Voting examples:

- Voting on NEAR protocol upgrades or technical proposals.
- Voting on HoS operational procedures.
- Voting on your **working group's** budget and funding requests (please note delegates should recuse themselves on proposals that benefit their individual compensation)
- Voting on compensation structures for the upcoming term (as long as a continuation of the term is not guaranteed).
- Voting on other working groups' activities.

Working Group examples:

- Reviewing grant applications from teams you have no relationships with.
- Participating in budget planning for your working group.
- Selecting service providers with whom you have no connections.
- Making operational decisions about working group processes.
- Evaluating proposals based purely on merit.
- Drafting proposals for upcoming term compensation (as long as a continuation of the term is not guaranteed).

Yellow Light: No Actual Conflict + Perception of COI

The guidance is ideally to recuse yourself (perception is as important as reality), but a certain degree of discretion is permissible.

Voting examples:

- You were an employee at a company seeking funding (but left years ago with no ongoing interest).
- You own NFTs from a project seeking NEAR integration support.
- You've publicly endorsed a project that's now seeking grants.

Working Group examples:

- Your friend's team applies for a grant (no financial connection, but a personal relationship).
- You're active in a community that's requesting funding.
- A former colleague is on a team seeking approval.
- You have received publicity or material goods from the subject of a decision.
- You've tweeted positively about a project now under review.

Guidance:

1. First choice: Recuse yourself—this is the cleanest approach.
2. If recusal would seriously harm the process (e.g., leaving too few Delegates to make decisions):
 - Publicly disclose the relationship in detail.
 - Let your fellow Delegates decide if you should participate.
 - Accept their judgment without argument.

Red Light: Actual Conflict + No perception of COI

You must recuse yourself AND disclose:

Voting examples:

- You're an unpaid advisor to a proposal (not publicly known).

- You own tokens/equity in a project that is the beneficiary of an HoS proposal.
- You're silently invested in a competing project that would benefit from a "no" vote.
- A proposal would grant you personal tokens or delegations (apart from delegate incentives paid out by the protocol).

Working Group examples:

- Your spouse/partner works for a grantee.
- You have an informal agreement for future compensation with a proposal beneficiary.
- A grantee has promised to hire you after your Delegate term.
- You're an informal consultant to a service provider candidate.
- You have undisclosed token allocations from a project seeking support.

Guidance:

Immediately disclose the conflict to your peers/ working group members and recuse yourself from all related discussions and decisions. Your fellow Delegates will handle the matter and may select a stand-in if and when required.

Full Stop: Actual Conflict + Perception of COI

Recuse yourself completely

Voting examples:

- Voting on the current term compensation that affects you directly.
- Voting on a proposal that would grant you tokens or delegations outside normal compensation.
- Your company or project is seeking HoS funding.
- Voting to increase current term compensation retroactively.

Working Group examples:

- Your working group is reviewing your company's grant application.
- You're listed as an advisor or team member on an application.
- The applicant is your current employer or client.
- You're evaluating a service provider you work for.
- Your working group is deciding on immediate bonuses or token distributions.

Guidance:

Recuse yourself from all discussions and decisions. Leave the room (physical or virtual) during deliberations. Your fellow Delegates will document your recusal and handle the decision.

Important Distinction: Proposals vs. Votes

Even if a proposal might benefit you (like token distributions to Delegates):

- You CAN participate in drafting and discussions of the proposal.
- You SHOULD abstain from the actual vote and let the broader delegate body decide without your influence on the outcome.

The Guiding Principle

If a reasonable argument could be made against your impartiality, you should recuse yourself. This isn't a question of individual integrity, but rather one of legitimate community trust in HoS governance

When in Doubt:

If you're not sure which quadrant you're in:

- Ask yourself: "Would I financially benefit, directly or indirectly?"
- Ask yourself: "Would a reasonable person think I might benefit?"

If either answer might be yes, prefer recusal. When unsure, disclose to your working group Delegates and discuss. It's better to recuse unnecessarily than to participate inappropriately.

The Recusal Process

If a recusal is warranted

1. State it clearly to your peers/ WG members.
2. Recuse completely, don't try to influence the outcome.
3. Let others handle it, trust your fellow Delegates.
4. Document it publicly, transparency builds trust.
5. Stay out until it's resolved, don't check in or ask for progress reports

Why this matters:

Every time you choose recusal over participation when there's an appearance of conflict, you:

- Strengthen the community's trust in governance.
- Set an example for future Delegates.
- Protect the legitimacy of the decision.
- Reinforce the highest ethical standards HoS governance operates at.

Article V: Procedures

1. Duty to Disclose

Delegates must promptly and fully disclose any actual, potential, or perceived conflict of interest to the House of Stake, either in writing or verbally at the earliest opportunity.

2. Recusal

Delegates with a disclosed conflict must recuse themselves from all related deliberations, voting, and decision-making.

3. Documentation

All disclosures and recusals are to be recorded in the House of Stake's official records and made available for review by stakeholders.

4. Review and Guidance

The Security Council / Screening Committee will review disclosed conflicts and advise on appropriate actions, including further recusal or mitigation steps.

5. Ongoing Disclosure

Delegates are required to update their disclosures as new conflicts arise or existing circumstances change.

6. Investigation and Addressing Conflicts

When a conflict is disclosed, the Security Council/ Screening Committee will gather all relevant information and, if necessary, question the involved parties. If a conflict exists, the Committee may prohibit the Delegate from voting or participating in related matters, and if necessary, recommend further disciplinary action, including removal from the Delegate position.

Article VI: Enforcement

Violations of this policy may result in disciplinary action, including removal from Delegate status, as determined by the House of Stake's governance procedures.

Article VII: Transparency and Accountability

All conflict of interest disclosures and management actions shall be handled with transparency to maintain trust in the House of Stake and the broader NEAR ecosystem.

Article VIII: Policy Review

This policy will be reviewed annually or as needed to ensure continued alignment with best practices and the evolving needs of the NEAR Protocol governance framework.