

SAMARITAN FIRST RESPONDERS SOCIETY

COMPENSATION-SETTING POLICY 2024-25

The Samaritan First Responders Society-SFRS (“the Society”) has adopted these policies as a nonprofit 501(C)(3) Charitable organization to cover the topics addressed herein.

Section 1.01 Setting and approval of Key Executive Employee compensation arrangements. *The Compensation arrangements of key executive employees of the SFRS Corporation shall be approved in advance by an authorized body (as defined in Section 1.03) of the Society who shall have obtained and relied upon appropriate data as to comparability (as defined in Section 1.04) prior to making its determination. The authorized body shall adequately document (as defined in Section 1.05) the basis for its determination concurrently with making that determination.*

Section 1.02 Key Executive Employee. *For purposes of this policy, the term “key executive employee” includes the Officers and Directors of the Society and any individual who has powers and responsibilities similar to officers and directors or the Chairman & Members of the Founders Committee of the Corporation. The term includes any person who, regardless of title, has ultimate responsibility for implementing the decisions of the Board- Executive Director and/or the President- for supervising the management, administration, or operations of the corporation as a whole. The term does not include the heads of separate departments or smaller units of the Corporation, as these individuals do not have management responsibilities for the Corporation as a whole.*

Section 1.03 Authorized Body. *The term “ authorized body” shall, with respect to the President, Vice-Presidents, Executive Director, or top management official of the Corporation, including the Board of Directors, Chairpersons of the Founders & Governance Committees of the Society, which may be composed of any individuals permitted under state law or the*

Corporation's By-laws to serve on such a committee, to the extent that the committee is permitted by State Law to act on behalf of the Board of Directors or the Chairman of the Founders Committee. However, such an authorized body shall be composed solely of individuals that are considered authorized bodies regarding compensation arrangement. Therefore, with respect to key executive employees other than the President, Executive Director or top management official, the authorized body shall include those individuals appointed by the Board of Directors to establish such compensation, provided that those individuals do not have a conflict of interest (as defined in Section 1.04) with respect to the compensation arrangement. In the event that the President, the Executive Director or any appointed member by the Board shall be granted authorization with respect to that employee as described in the preceding paragraph.

Section 1.04 Absence of Conflict of Interest. *A member of the governing body authorized to approve key executive employee compensation arrangements does not have a conflict of interest with respect to a compensation arrangement only if the member:*

- (a) Is not a disqualified person (within the meaning of Treasurer or Accounting Regulations) participating in or economically benefiting from the compensation arrangement, and is considered by the Board to be defined in the by-laws as a disqualified person;*
- (b) Is not in an employment relationship subject to the direction or control of any disqualified person participating in or economically benefiting from the compensation arrangement; The except for the compensation as it relates to the Founders Trademark Entitlements which shall be granted as stated in the initial By-laws of Articles of Incorporation. *(Ref: Founders Foundation Compensation)*
- (c) Does not receive compensation or other payments subject to approval by any disqualified person participating in or economically*

benefiting from the compensation arrangement with the exception of Corporation By-laws pertaining to the Founders Foundation.

(d) Has no material financial interest affected by the compensation Arrangement;

(e) Does not approve a transaction providing economic benefits to any disqualified person participating in the compensation arrangement, who in turn has approved or will approve a transaction providing economic benefits to the member without the expressed approval of the Board.

Section 1.05- Appropriate Data as to Comparability. *The authorized body has appropriate data as to comparability if, given the knowledge and expertise of its members, it has information sufficient to determine whether the compensation arrangement in its entirety is reasonable. Relevant information shall include, but is not limited to, compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions; the availability of similar services in the geographic area of the Corporation; current compensation surveys compiled by independent firms; and actual written offers from similar institutions competing for the services of the individual for whom the compensation arrangement is being set. Updated comparability data should be obtained by the authorized body on a periodic basis, generally at least every three to four years. However, more frequent updates of comparability data should be obtained if annual compensation increases exceed a modest percentage in keeping with increases generally applicable to all employees.*

Section 1.06 Adequate Documentation. *The written or electronic records of the authorized body shall be noted and filed by the Secretary as:*

(a) The terms of the compensation arrangement that was approved and the date it was approved;

- (b) The members of the authorized body who were present during debate on the compensation arrangement that was approved by the finance committee and the President as well as all who voted on it;*
- (c) The comparability data obtained and relied upon by the authorized body and how the data was obtained; and*
- (d) Any actions taken with respect to consideration of the compensation arrangement by anyone who is otherwise a member of the authorized body but who may have had a conflict of interest with respect to the compensation arrangement.*

Hereof, If the authorized body determines that reasonable compensation for a specific arrangement is higher than the range of comparability data obtained, the authorized body must record the basis for its determination.

- The documentation outlined in these sections shall be duly recorded in the minutes of the authorized body before the next meeting of the authorized body and the Board of Directors, or 60 days after the final action or actions of the authorized body are taken. Such records shall be reviewed and approved by the authorized body, the President and/or the Executive Director as reasonable, accurate and complete within a reasonable time period thereafter.*

END

