

THE PHILANTHROPY CONNECTION, INC.

CONFLICTS OF INTEREST POLICY

PART I

Purpose of this Policy

The purpose of this conflicts of interest policy (this “*Policy*”) is to protect the interests of The Philanthropy Connection, Inc., a Massachusetts nonprofit corporation (“*TPC*”), and an organization recognized as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, when it contemplates entering into a transaction or arrangement, including, without limitation, the making of a contribution, gift or grant to another person or organization, that might benefit the private interest of a director, officer, member of a committee, employee, or other person with substantial influence over the affairs of TPC designated by the President of TPC, or that might otherwise harm TPC. This Policy is intended to supplement but not replace any applicable federal or state laws or rules governing conflicts of interest applicable to nonprofit corporations and charitable organizations.

PART II

Definitions

Section 1. Interested Person. Any director, officer, member of a committee, employee, or other person with substantial influence over the affairs of TPC designated by the President of TPC who has a direct or indirect financial interest (as defined below) or who has a personal interest (as defined below), is an Interested Person. If a person is an Interested Person with respect to an organization affiliated with TPC, he or she is an Interested Person with respect to TPC, as well as to all other organizations affiliated with TPC.

Section 2. Family Member. A Family Member of a person subject to this Policy is limited to her or his spouse; brothers and sisters; spouses of brothers and sisters; ancestors; children; grandchildren; great grandchildren; and spouses of children, grandchildren, and great grandchildren.

Section 3. Financial Interest. A person has a financial interest if he or she, or if a Family Member, to that person’s knowledge, has, directly or indirectly, through business, investment or otherwise:

- a. an ownership or investment interest in any entity, enterprise or partnership with which TPC engages in a transaction or arrangement;
- b. a compensation arrangement with TPC or with any entity, enterprise, partnership or individual with which TPC has a transaction or arrangement; or
- c. an actual or potential (i) ownership or investment interest in or (ii) compensation arrangement with, any entity, enterprise, partnership or individual with which TPC is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. A financial interest is not necessarily a conflict of interest. As provided below in Part III, Section 2 of this Policy, a person who has a financial interest may have a conflict of

interest only if the Board of Directors of TPC, or an appropriate committee established by the Board, decides that a conflict of interest exists.

Section 4. Personal Interest. A person has a personal interest if the person has, directly or indirectly, through business, investment, Family Member or personal affiliation of any kind, non-financial connections or interests in any entity with which or individual with whom TPC has or, to the person's knowledge, is contemplating entering a transaction or arrangement of any nature, including, without limitation, the making of a contribution, gift or grant to another person or organization.

PART III **Procedures**

Section 1. Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of her or his financial interest or personal interest and all material facts to the directors, officers, and members of committees considering the proposed transaction or arrangement.

Section 2. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest or personal interest and all material facts, and after any discussion, including any question and answer session with the Interested Person, the Interested Person shall leave the meeting of the Board of Directors or the committee while the determination of a conflict of interest is discussed and voted upon. The remaining Directors or committee members, as the case may be, shall decide if a conflict of interest exists.

For the avoidance of doubt, if TPC makes, or contemplates making a contribution, gift or grant to any organization with which a director, officer, member of a committee or other person with substantial influence over the affairs of TPC designated by the President of TPC has a personal interest or financial interest, such person shall disclose to the Board of Directors, officers and members of committees considering such contribution, gift or grant, and recuse herself or himself from discussion and voting with respect to such contribution, gift or grant, implementation, administration, review or any other matter with respect to such contribution, gift or grant.

Section 3. Procedures for Addressing the Conflict of Interest.

- a. An Interested Person may make a presentation at the meeting of the Board of Directors or the committee and, following such presentation, shall leave the meeting during the discussion of, and the vote on, and shall refrain from participating in and voting in consideration of the transaction or arrangement involving the possible conflict of interest.
- b. The President of TPC, the Board of Directors or the chair of the committee shall, if appropriate, appoint a disinterested person or committee of disinterested persons to investigate and evaluate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board or committee shall determine whether TPC can obtain a more advantageous transaction or arrangement with reasonable efforts from a person, entity or enterprise that would not give rise to a conflict of interest.

- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances that would not give rise to a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested Directors or committee members whether the transaction or arrangement is in TPC's best interest and for its own benefit, and whether it is fair and reasonable to TPC. In conformity with the above determination, the Board or committee shall make its decision as to whether to enter into the transaction or arrangement.

Section 4. Violations of the Conflicts of Interest Policy.

- a. If the Board of Directors or committee has reasonable cause to believe a Director, officer, member of a committee, employee, or other person with substantial influence over the affairs of TPC designated by the President of TPC has failed to disclose actual or possible conflicts of interest, it shall inform such person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the response of such person, and after making further investigation as may be warranted by the circumstances, the Board or committee determines such person has in fact failed to disclose an actual or possible conflict of interest, the Board of Directors shall take appropriate disciplinary and corrective action.

PART IV
Records of Proceedings

The minutes of the meetings of the Board of Directors and all committees shall contain:

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

PART V
Annual Statements

Each director, officer, member of a committee, employee or other person with substantial influence over the affairs of TPC designated by the President of TPC shall annually sign a Conflict of Interest Disclosure Statement in the form attached hereto as Attachment A, and, during the course of the year, shall update such form whenever there is new information relating to a possible conflict of interest.