

Greenville Tech Foundation, Inc.
Conflict of Interest Policy

Section 1: Purpose. The purpose of the conflict of interest policy is to protect the Foundation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Foundation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2: Definitions.

- (a) "Interested Person" means any director or officer who has a direct or indirect financial interest, as defined below.
- (b) "Financial Interest" exists if a person has, directly or indirectly, through business, investment, or family:
 - (i) An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement; or
 - (ii) A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement; or
 - (iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

Compensation includes direct or indirect remuneration, as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under paragraph (b) of Section 3 of this Article, a person who has a financial interest may have a conflict of interest only if the Board decides that a conflict of interest exists.

Section 3: Procedures.

- (a) Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board.
- (b) Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion between the Board and the interested person, the interested person shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining directors shall decide if a conflict of interest exists.
- (c) Procedures for Addressing the Conflict of Interest. An interested person may make a presentation at the Board meeting, but after the presentation, the interested person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving

the possible conflict of interest. The Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Board shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

- (d) Violations of the Conflicts of Interest Policy. If the Board has reasonable cause to believe a director has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4: Records of Proceedings. The Board minutes shall contain (a) the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board'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 discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5: Compensation. A member of the Board who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation. A member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation. No member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6: Periodic Statements. Annually, each director and officer shall sign a statement which affirms such person: (a) has received a copy of the conflicts of interest policy; (b) has read and understands the policy; (c) has agreed to comply with the policy; and (d) understands that the Foundation is charitable and, in order to maintain its federal tax exemption, must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Section 7: Periodic Reviews. To ensure that the Foundation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects: (a) whether compensation arrangements and benefits are reasonable and the result of arm's length bargaining; and (b) whether partnerships, joint ventures, and arrangements conform to the Foundation's written policies, are properly recorded, reflect reasonable investment or payments for

goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or an excess benefit transaction.

Section 8: Use of Outside Experts. When conducting the periodic reviews as provided for in Section 7 in this Article, the Foundation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Section 9: Business Relationship. Each director and officer shall disclose if they have a business relationship with another director or officer (i.e. transact business in the contract of sale, lease, license, loan or performance of services) during the tax years that involves transfers greater than \$10,000 and that is not in the ORDINARY course of either party's business and on terms available to the public.

I have read and agree to abide by Conflict of Interest Policy of the Greenville Tech Foundation, Inc. and to disclose any applicable information.

Signature

Print Name

Date