

POLICY

The Poverello Center, Inc.'s interests are protected when its governing bodies avoid entering into any transaction or arrangement that might benefit the private interests of an officer or director of The Poverello Center, Inc., or might result in a possible excess benefit transaction.

PROCEDURE

I. Definitions:

Interested Person – Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below is an interested person.

Financial Interest – A person has a financial interest if the person has, directly or indirectly through business, investment or family:

- a. An ownership or investment interest in any entity with which The Poverello Center, Inc. has a transaction or arrangement.
- b. A compensation arrangement with The Poverello Center or with any entity or individual with which The Poverello Center has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which The Poverello Center Inc. is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board or Executive Committee decides that a conflict of interest exists in accordance with this policy.

Independent Director – A director shall be considered “independent” for the purposes of this policy if he or she is “independent” as defined in the instructions for the IRS 990 form or, the director:

- a. Is not and has not been for a period of at least three years, an employee of the Poverello Center, Inc., or any entity in which TPC has a financial interest;
- b. Does not directly or indirectly have a significant business relationship with TPC, which might affect independence in decision making;
- c. Is not employed as an executive of another corporation where any of TPC's executive officers or employees serve on that corporation's compensation committee; and
- d. Does not have an immediate family member who is an executive officer or employee of TPC who holds a position that has a significant financial relationship with TPC.

II. Actions:

- a. **Duty to Disclose** – About 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 or Executive committee.
- b. **Recusal of Self** – Any Director may recuse himself/herself at any time from involvement in any decision or discussion in which the director believes he/she has or may have a conflict of interest without going through the process for determining whether a conflict of interest exists.
- c. **Determining Whether a Conflict of Interest Exists** – After disclosure of the financial interest and all the material facts, an after any discussion with the interested person, he/she shall leave the Board or Executive Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Executive Committee members shall decide if a conflict of interest exists.

III. Addressing the Conflict of Interest:

- a. An interested person may make a presentation at the Board or Executive Committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The Chairperson of the Board or Executive Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board or Executive Committee shall determine whether TPC 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.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or Executive Committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in TPC'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 the transaction or arrangement.

IV. Violations of the Conflict of Interest Policy:

a. If the Board or Executive Committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and affords the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or Executive Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

V. Records of the Proceedings:

The minutes of the Board and all committees with board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest about 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 or Executive Committee's decision as to whether a conflict of interest in fact existed.

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 about the proceedings.

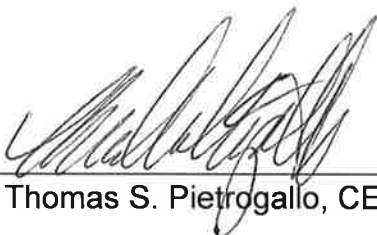
VI. Annual Statements:

1. Each director, principal officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands TPC is charitable and to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

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2. Each voting member of the Board shall annually sign a statement which declares whether such person is an independent director.
 3. If at any time during the year, the information in the annual statement changes materially, the director shall disclose such changes and revise the annual disclosure form.
 4. The Executive Committee shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

Approvals:

Signature:  Date: 
Thomas S. Pietrogallo, CEO

BOD Approved Date: 11.23.2016

Date Established: 11.22.2016

Date Reviewed/Revised: 07.08.2017; 06.02.2019



Director and Officer
Annual Conflict of Interest Statement

1. Name: _____ Date: _____

2. Position: _____

Are you a voting Director? Yes No

Are you an Officer? Yes No

If you are an Officer, which Officer position do you hold: _____.

3. I affirm the following:

I have received a copy of the Poverello Center, Inc.'s Conflict of Interest Policy.

_____ (initial)

I have read and understand the policy. _____ (initial)

I agree to comply with the policy. _____ (initial)

I understand that the Poverello Center, Inc. is charitable and to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of tax-exempt purposes. _____ (initial)

4. Disclosures:

a. Do you have a financial interest (current or potential), including a compensation arrangement, as defined in the Conflict of Interest policy with The Poverello Center, Inc.? Yes No

i. If yes, please describe it: _____

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes No

b. In the past, have you had a financial interest, including a compensation arrangement, as defined in the Conflict of Interest policy with The Poverello Center, Inc.? Yes No

i. If yes, please describe it, including when (approximately): _____

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes No

5. Are you an independent director, as defined in the Conflict of Interest policy? Yes No

a. If you are not independent, why? _____

Signature of director _____ Date: _____

Date of Review by Executive Committee: _____