



Conflict of Interest Policy

I. Purpose

The purpose of this conflict of interest policy is to protect the interests of the Public Interest Law Initiative ("PILI") when it is contemplating entering into any transaction or arrangement, other than the approval or placement of a legal matter with pro bono counsel, that might benefit the private interest of any officer, director, member of any committee of the Board, trustee or employee of PILI (collectively, the "Covered Individuals"), 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 or any applicable Code of Professional Responsibility.

II. Definitions

"Affiliated Person" means (i) any individual who is related to a Covered Individual by blood, marriage or adoption including such Covered Individual's spouse, mother, father, child, step-child, parent, step-parent, grandparent, grandchild, brother, sister, half-brother, half-sister, aunt, uncle, niece, nephew, parent-in-law, daughter-in-law, son-in-law, brother-in-law and sister-in-law, and (ii) any entity that is the primary employer of such Covered Individual (except where such entity is PILI).

"Board" means the board of directors of PILI and any committee thereof to which the Board has delegated powers to consider a proposed transaction or arrangement.

"Interested Person" means any Covered Individual who has a direct or indirect Financial Interest.

"Financial Interest" means that a person has, directly or indirectly, through business investment, family or otherwise:

- (i) A current ownership, investment or other material financial interest in any entity (including by way of being a director, officer, employee or legal representative of such entity) with which PILI has or is contemplating a transaction or arrangement, including but not limited to for payment of any grant or the allocation of any law student intern or postgraduate fellow by PILI;
- (ii) An anticipated ownership, investment or other material financial interest in, or compensation arrangement with, any entity (where any potential role as a director, officer, employee or legal representative of such entity, as applicable, shall be sufficient to constitute the requisite interest) or individual with which PILI is negotiating or has commenced a transaction or arrangement, including but not limited to for payment of any grant or the allocation of any law student intern or postgraduate fellow by PILI;

- (iii) A direct material financial interest in a transaction with PILI, other than an interest resulting from the approval or placement by PILI of a legal matter with pro bono counsel; or
- (iv) A compensation arrangement with any entity or individual with which PILI has a transaction or arrangement.

Notwithstanding anything to the contrary herein, a Financial Interest will not be deemed to exist with respect to any Covered Individual simply by reason of an Affiliated Person of such Covered Individual that is an entity (including but not limited to a corporation or law firm) having previously made or continuing or planning to make a contribution (whether financial or otherwise) to any charitable, public interest or nonprofit organization.

III. Policy and Procedures

A. Policy. Each Covered Individual has a duty to serve loyally, place the interests of PILI foremost in any dealings with PILI and has a continuing responsibility to comply with the requirements of this policy. No Covered Individual shall use his or her position, or the knowledge gained therefrom, in such a manner that a conflict between the interests of PILI and his or her personal interests arise or to obtain for themselves or their Affiliated Persons a financial benefit of any kind. Moreover, any direct or indirect conflict of interest between PILI and any Interested Person is prohibited unless pre-approved or resolved as set forth herein.

For purposes of this policy, a "conflict of interest" is defined as occurring where (i) there is a proposed transaction or other relationship between PILI and any Interested Person (or any Affiliated Person of such Interested Person), where a majority of disinterested members of the Board or the Governance Committee thereof, as applicable, determines that such Interested Person's judgment is or may be influenced by considerations of personal financial gain or benefit to themselves or an Affiliated Person thereof, or (ii) where a majority of disinterested members of the Board or the Governance Committee thereof, as applicable, in their sole discretion, determines that a conflict of interest exists in order to avoid the appearance of impropriety or divided loyalty.

If a conflict of interest is determined to exist with respect to any Covered Individual in reference to a particular transaction or arrangement as provided herein, such Covered Individual shall be precluded from casting any vote with respect to such transaction or arrangement, and shall recuse himself or herself therefrom, though such Covered Individual shall not be precluded from taking part in any discussion or deliberation by the Board with respect to such transaction or arrangement so long as the other members of the Board taking part therein are made aware of the conflict of interest before any vote is taken thereon.

For avoidance of doubt, a conflict of interest shall not be deemed to exist simply by reason of a Covered Individual's competing or respective duties to PILI and to another organization, such as serving on the boards of both organizations, that do not involve a Financial Interest of, or benefit to, such person or their Affiliated Persons. Moreover, a Financial Interest alone is not necessarily sufficient to create a conflict of interest.

B. Procedures.

1. *Annual Disclosure*

To implement this policy, each Covered Individual will submit an annual report on a form approved by the Board. Each Covered Individual shall use this annual report to disclose (i) all memberships on boards; (ii) offices held; and (iii) other affiliations (including investment holdings) that such Covered Individual (or their Affiliated Persons, to the extent such Covered Individual has actual knowledge thereof) have had within the previous 12 months or reasonably expect to have within the next 12 months with any organizations, groups, agencies or other entities that have bought or sold goods or services from or to PILI, or which have maintained any material financial relationship with PILI within the past year, or that such Covered Individual reasonably believes may buy or sell goods or services from or to PILI, or commence a material financial relationship with PILI, within the next 12 months.

Annual reports will be initially reviewed by the Governance Committee of the Board, who will attempt to resolve any actual or potential conflict(s) as set forth below.

2. *Ongoing Disclosure Requirements*

If, subsequent to any annual disclosure (but prior to execution of a new annual disclosure form), a Covered Individual becomes aware of a relationship required to be so disclosed, that Covered Individual shall promptly make the required disclosure by providing PILI's Executive Director with a signed statement (or revised disclosure form) disclosing all of the material facts of the relationship. The Executive Director will then provide the Governance Committee of the Board with such interim reports, who will attempt to resolve any actual or potential conflict(s) as set forth below.

3. *Determination of a Conflict of Interest*

After disclosure of any actual or potential conflict(s) pursuant to the annual or interim reporting process above, as applicable, the Governance Committee will deliberate on and determine whether a conflict of interest exists and work to resolve any actual or potential conflict(s). If the Governance Committee determines that a conflict of interest exists and it cannot resolve the conflict on its own, they shall refer the matter to the full Board for deliberation and a determination by the disinterested members of the Board. No Interested Person shall participate in the deliberation or voting by either the Governance Committee or the full Board with respect to any determination regarding such Interested Person's own conflict of interest.

The Governance Committee of the Board, or the Board, as applicable, shall record minutes of its deliberations and determinations pursuant to this Part B(3), which minutes shall contain (i) the names of the Covered Individuals who disclosed or otherwise were found to have Financial Interest in connection with an actual or possible conflict of interest; (ii) the nature of the Financial Interest; (iii) any action

taken to determine whether a conflict of interest was present; (iv) names of the persons who were present for discussions and votes relating to the transaction or arrangement; (v) the content of the discussion (including any alternatives to the proposed transaction or arrangement); (vi) the decision as to whether a conflict of interest in fact existed; and (vii) a record of any votes taken in connection with the proceedings.

C. Violations of the Conflict of Interest Policy. If the Board, the Governance Committee thereof or the Executive Director has reasonable cause to believe a Covered Individual has failed to disclose an actual or potential conflict of interest, it or they, as applicable, shall inform the Covered Individual of the basis for such belief and afford the Covered Individual an opportunity to explain the alleged failure to disclose. If, after hearing the Covered Individual's response and after making further investigation as warranted by the circumstances, the Governance Committee determines the Covered Individual has failed to disclose an actual or potential conflict of interest, it shall take appropriate disciplinary and corrective action.

The Governance Committee shall record minutes of its deliberations and determinations pursuant to this Section C, which minutes shall contain (i) the names of the Covered Individuals who the Board, the Governance Committee thereof or the Executive Director had reasonable cause to believe failed to disclose an actual or potential conflict of interest; (ii) the nature of the actual or potential conflict; (iii) any action taken to determine whether a conflict of interest was in fact present; (iv) names of the persons who were present for discussions and votes on the matter; (v) the content of the discussion; (vi) the decision as to whether a conflict of interest in fact existed; (vii) the recommendation by the Governance Committee regarding any disciplinary or corrective action to be taken; and (viii) a record of any votes taken in connection with the proceedings.