

Conflict of Interest Policy for the
Jerome Lohez September 11 Scholarship Foundation
(November 2005)

The purpose of this policy and the following procedures is to prevent the personal interests of Interested Parties (as defined below) from (i) interfering with the performance of their duties to The Jerome Lohez September 11 Scholarship Foundation, or (ii) resulting in personal financial, professional, or political gain on the part of such persons at the expense of the Jerome Lohez September 11 Scholarship Foundation.

Definitions:

“Foundation” means Jerome Lohez September 11 Scholarship Foundation, a 501(c)(3) corporation.

“Foundation Director” means a member of the Board of Directors of the Foundation.

“Immediate Family Member” means a person’s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers, and sisters-in-law, and any person (other than domestic employees) who shares such person’s home.

“Interested Part(ies)” are all persons in a position of trust with respect to the Foundation including but not limited to Foundation Directors, Officers, Staff Members, and Volunteers.

“Officer(s)” means the President, Vice President and Secretary and any other duly elected officers of the Foundation.

“Staff Member(s)” means the Executive Director of the Foundation and any person who primarily performs services for the Foundation and receives part or all of his/her compensation for such services from the Foundation.

“Volunteer” means a person, other than a Foundation Director, who provides services and/or expertise for the Foundation without receiving compensation therefore.

POLICY AND PRACTICES

1. All Interested Parties owe a duty of loyalty to the Foundation. This duty places on each Interested Party the obligation to act in the best interests of the Foundation. Interested Parties must avoid placing themselves in positions that may produce divided loyalty or which could create the appearance of divided loyalty. It is the duty of each Interested Party to refrain using Foundation property, information or his or her position with the Foundation for personal gain. Specific examples of situations which may result

in such conflicts are listed below. This list should not be considered all-inclusive. Questions regarding conduct under particular circumstances should be discussed with the Foundation Board of Directors, as set forth in Section 4 below.

2. No gifts, gratuities or financial rewards may r solicited or accepted by an Interested Party from scholarship recipients, applicants or any third party in connection with any scholarship. The giving or receiving of gifts, gratuities or financial rewards by an Interested Party is not only prohibited by this policy but may also violate self-dealing laws applicable to foundations. Gifts, gratuities and financial rewards accepted by an Immediate Family Member of any Interested Party are prohibited on the same basis described above. Gifts other than money, having a value of less than \$50.00, may be accepted from scholarship recipients, but not applicants, as a token of appreciation provided such gifts are unsolicited.

3. If a Foundation Director or an Immediate Family Member of a Foundation Director is related to or has a close personal or business relationship with an applicant or an applicant's Immediate Family Member, such Foundation Director shall be required to disclose to the Board of Directors the material facts regarding such relationship. The presence of such Foundation Director may be counted in determining whether a quorum is present, but may not be counted when the Foundation Board of Directors takes action on the scholarship application.

4. Any potential conflict of interest, or question regarding whether a particular circumstance violates this policy, shall be disclosed by the Interested Party to the Foundation Board of Directors. Such disclosure may be made in writing to the Executive Director or orally at a Foundation Board of Directors meeting.

5. Following full disclosure of a possible conflict of interest, the Board of Directors shall determine whether the possible conflict violates this policy and, if so the Board of Directors shall vote to take any action deemed necessary to address the conflict and protect Foundation's best interests. Both votes shall be by a majority vote without counting the vote of any interested Foundation Director, even if the disinterested Foundation Directors are less than a quorum provided that at least one consenting Foundation Director is disinterested. An Interested Party shall not participate in any discussion or debate of the Foundation Board of Directors in which the subject of discussion is a situation in which there may be a perceived or actual conflict of interest. However, they may be present to provide clarifying information in such a discussion or debate unless objected to by any present Board member.

A copy of this policy shall be given to all Interested Parties upon commencement of such person's relationship with the Foundation and a copy shall also be published on the Foundation website.