



Conflict of Interest Policy Certificate

This certificate must be signed and delivered to the Secretary pursuant to the Neighbors Link, Corp. (the “Corporation”) Conflict of Interest Policy (the “Policy”) as set forth in the by-laws of the Corporation, at such times as specified in the Policy. Please see the Policy at the end of this certificate on pages 5 – 10.

- (a) ____ (initial) I have received a copy of the Policy;
- (b) ____ (initial) I have read and understand the Policy; and
- (c) ____ (initial) I agree to comply with the Policy;

The undersigned, by his or her signature, certifies as indicated above and acknowledges his or her understanding of the implications of the Policy.

Signature

Printed Name

Position

Date

**Neighbors Link Corp. (the “Corporation”)
Potential Conflict of Interest Disclosure Form**

Name: _____

Title/Position: _____

In responding to these questions, please note that a “yes” answer does not imply that the relationship or transaction is necessarily inappropriate or prohibited.

1. Are you an officer, director, trustee, member, owner, or employee of any entity with which the Corporation has a relationship?

Yes _____ No _____

If the answer is “yes” please list the names of such entities, your affiliation with that entity, and the approximate dollar amount of business involved with the Corporation in the past year. If “no”, add N/A:

2. Are any of your Relatives¹ an officer, director, trustee, member, owner, or employee of any entity with which the Corporation has a relationship?

Yes _____ No _____

If the answer is “yes” please list the names of such entities, your Relative’s affiliation with that entity, and the approximate dollar amount of business involved with the Corporation in the past year. If “no”, add N/A:

¹ “Relative” means your domestic partner, spouse, ancestors, siblings and their spouses, children and their spouses, grand children and their spouses, and great-grandchildren and their spouses.

3. Do you have a Financial Interest² in any corporation, organization, partnership, or other entity which provides goods or services to the Corporation for a fee or other compensation?

Yes _____ No _____

If the answer is “yes” please list the names of such entities, the nature of your Financial Interest, and the approximate dollar amount of business involved with the Corporation in the past year. If “no” add N/A:

4. Do any of your Relatives have a Financial Interest in any corporation, organization, partnership, or other entity which provides goods or services to the Corporation for a fee or other compensation?

Yes _____ No _____

If the answer is “yes” please list the names of such entities, the nature of your Relative’s Financial Interest, and the approximate dollar amount of business involved with the Corporation in the past year. If “no” add N/A:

5. Do you hold a position or have some other material relationship with any not-for-profit corporation with which the Corporation has a business relationship?

Yes _____ No _____

If the answer is “yes” please list the names of such entities, the nature of your relationship (e.g., employee, board member), and the approximate dollar amount of business involved with the Corporation in the past year. If “no” add N/A:

² “Financial Interest” means a direct or indirect economic benefit from any transaction, agreement, or compensation arrangement involving the Corporation, including, but not limited to, direct or indirect remuneration, or gifts or favors that are not insubstantial.

6. Do any of your Relatives hold a position or have some other material relationship with any not-for-profit corporation with which the Corporation has a business relationship?

Yes _____ No _____

If the answer is “yes” please list the names of such entities, the nature of your Relative’s relationship (e.g., employee, board member), and the approximate dollar amount of business involved with the Corporation in the past year. If “no” add N/A:

7. Are you aware of any other transaction in which the Corporation is a participant and in which you may have a conflicting interest?

Yes _____ No _____

If the answer is “yes”, please identify the transaction and describe the potential conflict. If “no” add N/A:

I affirm that the foregoing information is true and complete to the best of my knowledge and that should any of my responses to this questionnaire change at any time, I will notify the Corporation’s Board of Directors.

Name: _____

Signature: _____

Date: _____

ARTICLE IX
Directors' Conflicting Interest and Related Party Transactions

Section 9.1 **Purpose.** The Corporation's conflict of interest and related party transaction policy in Sections 9.1 through 9.6 hereof (the "Conflicts Policy") shall be as follows. All directors, officers, and Key Employees owe a duty of loyalty to the Corporation that requires them to exercise their powers in good faith and in the best interests of the Corporation. A conflict of interest occurs whenever the interests of the Corporation conflict with a competing Financial Interest of a director, officer, Key Employee or other Related Party. The purpose of this Conflicts Policy is to protect the interests of the Corporation, a tax-exempt not-for-profit corporation, when it is contemplating entering into a transaction or arrangement that might benefit a Related Party. This Conflicts Policy is intended to supplement, but not replace, any applicable state or federal laws regarding conflicts of interest applicable to not-for-profit and tax-exempt organizations.

Section 9.2 **Duty to Disclose.** Prior to their election to the Board or employment at the Corporation, and for each year of service thereafter, each director, officer and currently employed Key Employee must disclose in writing:

- A. Any entity of which such person or a Relative of such person is an officer, director, trustee, member, owner, or employee and with which the Corporation has a relationship;
- B. Any Financial Interest such person or a Relative of such person may have in any corporation, organization, partnership, or other entity which provides goods or services to the Corporation for a fee or other compensation; and
- C. Any position or other material relationship such person or a Relative of such person may have with any not-for-profit corporation with which the Corporation has a business relationship.

These disclosure statements shall be submitted to the Secretary of the Corporation. A copy of each disclosure statement shall be kept in the Corporation's files and made available to any director, officer or currently employed Key Employee upon request. The Secretary also shall provide a copy of all completed statements to the Chair of the Board.

If at any time during their term of service, a director, officer, or Key Employee acquires any Financial Interest, or when any matter for decision or approval comes before the Board in which a Related Party has a Financial Interest, that Financial

Interest or potential Related Party Transaction must be promptly disclosed in writing to each member of the Board, together with all material facts. Failure to disclose to the Board a known Financial Interest, a known Related Party Transaction or a known conflict of interest may be grounds for removal from the Board or termination from the Corporation.

Section 9.3 Review and Approval of Related Party Transactions. If the Corporation is contemplating entering into a Related Party Transaction, the Board must determine if the transaction is fair, reasonable, and in the best interests of the Corporation at the time of such determination before approving the transaction. All transactions, agreements, or any other arrangements between the Corporation and a Related Party shall be reviewed by the Board in accordance with the following.

- A. Related Party's Involvement.** At the Board's request, the Related Party to whom the potential conflict of interest relates may present factual information regarding the matter. However, the Related Party may not be present for, or participate in, the deliberation or vote on the matter giving rise to the conflict. The Related Party to whom the potential conflict of interest relates shall leave the room prior to the conduct of any deliberations or vote on the matter giving rise to the conflict and shall not attempt to influence improperly the deliberation or voting on the matter giving rise to the conflict.

A voting member of the Board or an officer who receives compensation directly or indirectly from the Corporation for services, or a director serving as a voting member of any committee whose jurisdiction includes compensation matters is precluded from voting or acting on matters pertaining to that director's or officer's compensation. However, no voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation is prohibited from providing information to the Board or any committee regarding compensation.

- B. Investigation of Alternative Transactions; Review of Comparability Data.** As part of their investigation, the Board shall consider alternative transactions to the extent available. If the contemplated transaction pertains to compensation for services or the transfer of property or other economic benefit to a Related Party, the Board must determine that the value of the economic benefit provided by the Corporation

does not exceed the value of the services, property, or other benefit received in exchange. As part of this determination, the Board shall obtain and review appropriate comparable data.

When considering compensation for services, comparable data may include, but is not limited to:

- (1) Compensation paid by similarly situated organizations;
- (2) The availability of similar services within the same geographic area;
- (3) Current compensation surveys compiled by independent firms; and/or
- (4) Written offers from similar institutions competing for the same person's services.

When considering a transfer of property, comparable data may include, but is not limited to:

- (1) Current independent appraisals of the property; and/or
- (2) Offers received in a competitive bidding process.

C. **Approval Requirements.** The Board may not approve any Related Party Transaction unless it determines that the transaction is fair, reasonable, and in the Corporation's best interest at the time of such determination. Approval requires the majority vote of the directors present at the meeting.

D. **Documentation.** The Board shall contemporaneously document in the minutes of their meeting:

- (1) The name(s) of the Related Party or Parties who disclosed or otherwise were determined to have a potential or actual Financial Interest and/or conflict of interest;
- (2) The nature of the potential or actual Financial Interest and/or conflict of interest;
- (3) Any actions taken to determine whether a Financial Interest and/or conflict of interest existed;
- (4) The Board's decision as to whether the Financial Interest and/or conflict of interest existed;
- (5) The names of the persons who were present for discussions and votes relating to any potential or actual conflict of interest or Related Party Transaction (including whether the Related Party or Parties left the room for all such discussions and vote);

- (6) The content of such discussions, including the discussion of alternative transactions; and
- (7) The decision by the Board to approve or not approve the Related Party Transaction.

E. **Tax Issues.** In determining whether to approve such contract or transaction, disinterested directors will take into account the restrictions regarding self-dealing under Section 4941 of the Internal Revenue Code of 1986, as amended (the "Code"), in the case of an organization classified as a Private Foundation, or excess benefit transactions under Section 4958 of the Code, in the case of an organization classified as a Public Charity.

Section 9.4 Annual Statements. Each director, officer and currently employed Key Employee shall annually sign and submit to the Secretary a statement which affirms such person: (a) has received a copy of the Conflicts Policy; (b) has read and understood the Conflicts Policy; and (c) has agreed to comply with the Conflicts Policy.

Section 9.5 Delegation to Audit Committee. The Board may delegate to the Audit Committee, if any, or any other authorized committee composed solely of Independent Directors, the oversight of, implementation of, and compliance with this Conflicts Policy, including the review and approval of any Related Party Transaction; provided that if the Related Party Transaction is of a magnitude that would otherwise require Entire Board approval, the committee shall submit the Related Party Transaction to the Board for consideration, with the committee's recommendation as to whether or not the transaction should be approved.

Section 9.6 Definitions.

- A. Associated Entity: Any entity associated with the Corporation by a parent subsidiary or sister relationship.
- B. Entire Board: The number of directors that were elected as of the most recently held election of directors, or in the interim period, as well as any directors whose terms have not yet expired, but excluding directors who have resigned.
- C. Key Employee: A person who is, or has within the past five years, been in a position to exercise substantial influence over the Corporation's affairs. This includes, but is not limited to:
 - (1) Heads of Corporation, Presidents, Executive Directors, Chief Executive Officers, Chief Operating Officers, or any person holding similar responsibilities;

- (2) Chief Financial Officers, or any person holding similar responsibilities;
 - (3) "Highly compensated" employees (within the meaning of Section 4958 of the Internal Revenue Code and related guidance) who are in a position to exercise substantial influence over the Corporation's affairs;
 - (4) Founders of the Corporation;
 - (5) Substantial contributors to the Corporation;
 - (6) Persons owning a controlling interest (through votes or value) in the Corporation; and
 - (7) A nonstock entity controlled by any of the persons described in this section 9.6(B).
- D. Financial Interest: A direct or indirect economic benefit from any transaction, agreement, or compensation arrangement involving the Corporation, including, but not limited to, direct or indirect remuneration, or gifts or favors that are not insubstantial.
- E. Independent Director: A member of the Board who:
- (1) Has not been an employee or Key Employee of the Corporation or an Associated Entity within the last three years;
 - (2) Does not have a Relative who is or has been a Key Employee of the Corporation or an Associated Entity within the last three years;
 - (3) Has not received, and does not have a Relative who has received, more than \$10,000 compensation from the Corporation (other than reimbursement for reasonable expenses) within the last three years;
 - (4) Has neither been employed by, nor has had a substantial Financial Interest in, any entity that either made or received payments from the Corporation exceeding the lesser of \$25,000 or 2% of the entity's gross revenues within the past three years (payments do not include charitable donations);
 - (5) Does not have a relative who has a substantial Financial Interest or was an officer of any entity that either made or received payments from the Corporation exceeding the lesser of \$25,000 or 2% of the entity's gross revenues within the past three years (payments do not include charitable donations); and
 - (6) Is not in an employment relationship with, or under the control or direction of, any Related Party and does not receive payments subject to the approval of a Related Party.
- F. Related Party:
- (1) Any current or former (within the past five years) director, officer or Key Employee of the Corporation;
 - (2) Any director, officer, or Key Employee of an Associated Entity;
 - (3) Any Relative of a director, officer, or Key Employee of the Corporation;
- or

- (4) Any entity in which a director, officer, or Key Employee or the Relative of a director, officer, or Key Employee has a 35% or greater ownership or beneficial interest, or, in the case of a partnership or a professional corporation, a direct or indirect ownership interest in excess of 5%.
- G. Related Party Transaction: Any transaction, agreement, or compensation arrangement with the Corporation or an Associated Entity in which a Related Party has a Financial Interest.
- H. Relative: A person's domestic partner, spouse, ancestors, siblings and their spouses, children and their spouses, grandchildren and their spouses, and great grandchildren and their spouses.