



Conflict of Interest Policy and Disclosure Statement

Amended and Approved at the December 16, 2019 Meeting of the Board of Directors

As a tax-exempt charitable organization, The Partnership for Connecticut, Inc. (the "Corporation") has a special obligation to uphold the public trust. The affairs of the Corporation must be conducted in a manner that avoids impermissible private financial benefit or the appearance of such private financial benefit. This obligation requires that each director, officer, management employee, or senior advisor ("Covered Person") take steps to inform the Board of Directors (the "Board") of any financial interest he or she might have in a grant to, or contract or other transaction between the Corporation and a third party that might influence such person's judgment in discharging his or her duties to the Corporation.

Duty of Loyalty and Intermediate Sanctions

Under Connecticut law, directors and officers have a duty of loyalty to the Corporation obligating them to make decisions for the benefit of the Corporation without regard to personal financial interests. Furthermore, as an Internal Revenue Code Section 501(c)(3) public charity, the Corporation is subject to the "intermediate sanctions" provisions of the Internal Revenue Code. Intermediate sanctions impose penalty taxes on any person who is in a position to exercise substantial influence over the affairs of the Corporation who engages in an "excess benefit transaction" with the Corporation. Accordingly, Covered Persons may not use their positions with the Corporation to further their own financial interests.

While the duty of loyalty does not preclude the Corporation from making grants to or entering into contracts and other transactions with Covered Persons, their family members and related entities, the Board should be informed of any potential conflict of interest and authorize such a transaction only if disinterested directors or committee members determine that such transaction is both reasonable and in the best interests of the Corporation.

It is acknowledged that the *ex officio* Board members have legal duties and obligations to the State of Connecticut. Should a conflict arise between their duties and obligations to the State of Connecticut and their duties and obligations to the Corporation, their duties and obligations to the State of Connecticut shall supersede their duties and obligations to the Corporation.

Conflict of Interest

A conflict of interest exists when a Covered Person has a financial interest that might influence such person's judgment in discharging his or her duties to the Corporation as a director, officer, management employee or senior advisor. For purposes of this Statement, a "financial interest" means that such Covered Person has reason to believe or expect that he or she, his or her spouse, a dependent child or a business with which he or she is associated will receive a direct monetary gain by reason of his or her activity as a Covered Person. A Covered Person does not have a "financial interest" if any benefit accrues to him or her, his or her spouse, a dependent child, or a business with which he or she is associated as a member of a profession, occupation or group to no greater extent than any other member of such

profession, occupation or group. For purposes of this Statement, “business with which he or she is associated” means any sole proprietorship, partnership, firm, corporation, trust or other entity through which business for profit or not for profit is conducted in which the Covered Person or member of his or her immediate family is a director, officer, owner, limited or general partner, beneficiary of a trust or holder of stock constituting five percent or more of the total outstanding stock of any class, provided that the Covered Person, or member of his or her immediate family, shall not be deemed to be associated with a not for profit entity solely by virtue of the fact that the Covered Person or member of his or her immediate family is an unpaid director or officer of the not for profit entity. “Officer” refers only to the president, executive or senior vice president or treasurer of such business.

Disclosures

Whenever a Covered Person becomes aware that the Corporation is considering a grant, contract or other transaction in which he or she has a potential conflict of interest, he or she is obligated to notify the Board or relevant committee and to disclose material facts relating to such potential conflict of interest. In the event such Covered Person does not recuse themselves, the Board or committee shall determine by a vote or consent of the disinterested directors or committee members whether an actual conflict of interest exists and decide what action would be appropriate to address such conflict. If no conflict of interest is found to exist, the minutes of the meeting should record the basis of the Board’s or the committee’s determination.

Withdrawal and Abstention

If the Board or a committee determines that a grant, contract or other transaction would create a conflict of interest, the transaction should be approved in advance by only those Board or committee members who do not have a conflict with respect to the transaction. The interested person should not be present when the Board or committee makes its determination and should not otherwise participate in the decision-making process, except to disclose the nature of the conflict and be available to answer questions from disinterested Board or committee members.

Comparability Data

In determining whether a grant, contract or other transaction is reasonable and in the Corporation’s best interests, the Board or committee should consider all relevant information necessary to make this determination, which may include reviewing available information regarding the cost or benefit of comparable transactions or arrangements, if any. The Board or committee may also consider whether the Corporation should and is able to obtain with reasonable efforts a more advantageous transaction or arrangement that would not give rise to a conflict of interest.

Documentation

The minutes of any meeting at which a conflict of interest transaction is considered should reflect that the interested person made adequate disclosures and recused him or herself, or did not participate in the decision-making process, except to disclose the nature of the conflict. The minutes should detail the terms of the grant, contract or transaction, the date that the transaction was approved, the Board members present during the deliberation, any data that the Board relied upon in determining that the transaction is reasonable and in the best interests of the Corporation, how any comparable data was obtained, the disclosures made by the interested person, and whether the interested person otherwise

participated in any discussions or proceedings (*i.e.*, to answer questions). The minutes documenting a conflict of interest transaction should be reviewed and approved by the Board or committee at its next meeting.

Gifts

Covered Persons should not accept favors or personal gifts of consequence from current or potential grantees, vendors, collaborators, or service providers.

Acknowledgment and Annual Statements

Each Covered Person must sign a statement annually affirming that such person has: (a) received a copy of this Conflict of Interest Policy and Disclosure Statement, (b) read and understands this Policy, and (c) agreed to comply with this Policy.

Each Covered Person additionally must complete and submit to the Secretary an annual disclosure statement naming each entity that the Covered Person knows is a grantee, or has submitted an application for a grant that is currently pending, or otherwise conducting business with the Corporation, or actively applying to conduct such business, which is a “business with which he or she is associated” as defined in this Statement. The Secretary will review the information and periodically distribute reports to the Board. Disclosure of a relationship in the annual disclosure statement shall not relieve a Covered Person from disclosing a potential conflict of interest at the time a grant, contract or other transaction is being considered.

Enforcement

The Corporation may impose disciplinary measures, up to and including removal from office and termination of association with the Corporation, in the event of a violation of this Policy.

THE PARTNERSHIP FOR CONNECTICUT, INC.
Conflict of Interest Policy and Disclosure Statement

Acknowledgment

I hereby acknowledge that I have received a copy of the Conflict of Interest Policy and Disclosure Statement of The Partnership for Connecticut, Inc., and that I have read it and understand it. I hereby agree to abide by and comply with the procedures contained therein.

Signature: _____

Name: _____

Date: _____

Position: _____

THE PARTNERSHIP FOR CONNECTICUT, INC.

Disclosure Statement

In the space below, please indicate the entities that do or may do business with The Partnership for Connecticut, Inc. in which: (i) you or a family member holds a position as a director, trustee, officer, committee member, employee or senior advisor or (ii) you or a family member has a material financial interest.

- (1) Entities in which you or a family member is a director, trustee, officer, committee member, employee or senior advisor:

(List name of family member, if relevant, name of entity, and position held).

- (2) Entities in which you or a family member have a material financial interest (i.e., ownership interest or managerial control):

(List name of family member, if relevant, name of entity, and nature of the interest).

The above information is correct and complete to the best of my knowledge.

Signature: _____

Name: _____

Date: _____