MICHIGAN STATE BAR FOUNDATION

CONFLICT OF INTEREST POLICY

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ADOPTED BY THE BOARD OF DIRECTORS ON _____, 2025

PREAMBLE

As a charitable organization, [Michigan State Bar Foundation] ("**Foundation**") has a special obligation to uphold the public trust. Members of the Board of Directors, members of Board committees, officers and key staff of the Foundation (collectively, "**Covered Persons**") might have interests in conflict with those of the Foundation.

Please keep in mind that this is a general policy only. Any conflict between this policy and any other policies shall be resolved by the Board of Directors based upon the particular facts involved.

Article I
Purpose

The purpose of this Conflict of Interest Policy is to protect the Foundation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Covered Person 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 conflicts of interest applicable to nonprofit and charitable organizations.

Article II
Definitions

1. "**Conflicts of Interest**" – Conflicts of Interest arise when a person involved in making a decision for the Foundation may have, or be perceived as having, a personal interest in the outcome. The personal interest may be a Financial Interest or a Non-Financial Interest.

2. **"Family Member(s)"** – For the purposes of disclosure of a potential Conflict of Interest, the Foundation shall define Family Member(s) to include the spouse, parent, child or other individual living n the same household as the Covered Person.

3. **"Non-Financial Interest"** – A Non-Financial Interest arises when a person involved in making a decision for the Foundation may have, or be perceived as having, a personal interest in the outcome, even though it is not a Financial Interest. The personal interest may be sentimental or professional, such as when the person or a Family Member is on a proposed grantee's board of directors or advisory board, or works for a proposed grantee (which may also be a Financial Interest).

4. "**Financial Interest"** – A person has a Financial Interest if the person has, directly or indirectly, through business, investment or a Family Member:

(a) An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement;

(b) A compensation arrangement with the Foundation or with any entity or individual with which the Foundation 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 Foundation is negotiating a transaction or arrangement.

A Financial Interest is not necessarily a Conflict of Interest. Under Article IV, Section 2, a person who has a Financial Interest will be deemed to have a Conflict of Interest only if the Board or a committee of the Board decides that a Conflict of Interest exists.

Article III
Policy Statement

It is the policy of the Foundation to assure that any actual or potential Conflict of Interest is fully disclosed before a proposed decision is made or a proposed transaction is completed.

Covered Persons share a continuing responsibility to ensure that the Foundation satisfies all legal requirements and is operated in accordance with its charitable mission. This obligation requires that Covered Persons act exclusively in the interests of the Foundation in matters affecting the Foundation and not use their positions to further their own financial interests or to derive personal advantage. A Covered Person must review their outside business interests, philanthropic interests, personal interests, family and other close relationships for actual or potential Conflicts of Interest with respect to the Foundation, and disclose such interest immediately and prior to any presentation or discussion of such a matter.

Article IV
Procedures

1. **Duty to Disclose** – When a Covered Person becomes aware of a Conflict of Interest, they shall immediately and fully disclose the conflict, actual or potential, and all material facts to the Foundation's Board of Directors or Executive Committee, even if such potential Conflict of Interest was disclosed on the Covered Person's annual certification and disclosure form (Appendix A).

2. **Determining Whether a Conflict of Interest Exists** – After disclosure of the Conflict of Interest and all material facts, and after any discussion with the Covered Person, if warranted, he or she shall leave the Board of Directors or the Board committee meeting, as applicable, while the determination of a Conflict of Interest is discussed and voted upon. The remaining Board or committee members shall decide if a Conflict of Interest exists.

3. **Procedures for Addressing the Conflict of Interest**

(a) If a Conflict of Interest exists, the individual shall abstain from voting.

(b) Notwithstanding anything to the contrary in this Conflict of Interest Policy, a Covered Person with a Conflict of Interest may vote if the transaction is being approved by a unanimous written consent in lieu of a meeting, and all Directors have been apprised of the Covered Person's Conflict of Interest.

(c) If the conflict of interest includes a Financial Interest, the following procedures apply:

(1) An individual who has disclosed an actual or potential Conflict of Interest that includes a Financial Interest may make a presentation at the Board or committee meeting, but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible Conflict of Interest.

(2) If appropriate, the Executive Committee shall investigate alternatives to the proposed transaction or arrangement.

(3) After exercising due diligence, the Board of Directors or the relevant Board committee, as applicable, shall determine whether the Foundation 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.

(4) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a Conflict of Interest, the Executive Committee shall determine whether the transaction or arrangement is in the Foundation'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 into the transaction or arrangement in good faith and with ordinary care.

Article V
Records of Proceedings

The minutes of the Foundation's meetings of the Board of Directors or a Board committee delegated with the power to consider a proposed transaction or arrangement shall contain:

(a) The names of the Covered Persons who disclosed or otherwise were found to have an actual or possible Conflict of Interest, the nature of the Conflict of Interest, any action taken to determine whether a Conflict of Interest was present, and, if applicable, the Board of Directors' or the Board 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, a record of any votes taken in connection with the proceedings, the result of the vote and any action taken as result of the vote.

Article VI
Annual Disclosure

Each Covered Person will acknowledge receipt of a copy of this policy and will complete a disclosure form substantially in the form of *Appendix A* on an annual basis and will update the form as necessary during the year.

Article VII
Gifts

Covered Persons should only accept gifts in the course of their service with the Foundation, including entertainment and dinner, on an infrequent basis. Gifts may only be accepted in the normal course of an existing business relationship and may not be meant to, and shall not, improperly influence a Covered Person's decision. In no case may gifts from any vendor, subcontractor or grantee exceed $75 in any given 12 months.

Article VIII
Interpretation

This Policy cannot describe all potential conflicts of interest, and its application may be uncertain at times. Covered Persons should exercise the highest standards of ethical judgment and err on the side of caution.

APPENDIX A

Michigan State Bar Foundation

Annual Conflict of Interest and Confidentiality Policy

Certification and Disclosure Form

Name:_____

Position (e.g., employee/director):_____

(1) Please list all entities that do (or could potentially do) business with the Foundation (e.g., as vendors, service providers, grantees, clients, etc.) in which you or a Family Member have a substantial involvement such as: Director, officer, committee member, key staff member, major donor. (*Please include name of Family Member (if relevant), name of entity, and position held. Write "n/a" if not applicable*.)

(2) Same question as (1), but please list here those entities in which you or a Family Member have a Financial Interest. (*Please include name of Family Member (if relevant), name of entity, and position held. Write "n/a" if not applicable.*)

Certification

By signing this form below, I certify that:

1. I have received a copy of the Michigan State Bar Foundation's Conflicts of Interest Policy (the "**Policy**");
2. I have read and understand the Policy;
3. I agree to comply with the Policy;
4. I acknowledge that even if a relationship is disclosed in this Certification or an update hereto, I must still disclose it during the relevant meeting at which a particular transaction is being contemplated;

5. I agree to report promptly any changes in the information reported on this form, or any new information relevant to a conflict of interest;

6. I understand that the Foundation is a public charity and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its exempt purposes and not engage in activities and transactions that provide impermissible benefits to individuals or entities; and

7. The information set forth above is true and complete to the best of my knowledge.

Signature:_____

Printed Name: _____

Date:_____