

LOBULAR BREAST CANCER ALLIANCE INC.
CONFLICT OF INTEREST POLICY

Article I – Purpose

The purpose of this conflict of interest policy is to protect the interests of Lobular Breast Cancer Alliance Inc. (“**LBCA**”) when it is contemplating a transaction or arrangement that might benefit the private interest of an officer or director of LBCA or might result in a possible excess benefit to the detriment of LBCA. This policy is intended to supplement the Company’s bylaws and any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II – Definitions

1. “**Interested Person**” means any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. “**Financial Interest**” means a person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which LBCA has a transaction or arrangement,
- b. A compensation arrangement with LBCA or with any entity or individual with which LBCA has a transaction or arrangement, including without limitation any grant awarded by LBCA, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which LBCA is negotiating a transaction or arrangement.
- d. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III - Procedures

1. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting 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. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether LBCA 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.
- d. If a more advantageous transaction or arrangement isn't reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in LBCA'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.

4. Violations of the Conflict of Interest Policy.

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV - Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
2. 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, and a record of any votes taken in connection with the proceedings.

Article V – Compensation

1. A voting member of the governing board who receives compensation, directly or indirectly, from LBCA for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from LBCA for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from LBCA, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI - Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflict of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy, and
4. Understands LBCA is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Attached to this policy is a sample statement that may be used for the foregoing purpose.

Article VII - Periodic Reviews

To ensure LBCA operates in a manner consistent with charitable purposes, and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. Whether partnerships, joint ventures, and arrangements with management organizations conform to LBCA's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and don't result in inurement, impermissible private benefit, or in an excess benefit transaction.

Article VIII - Use of Outside Experts

When conducting the periodic reviews, as provided for in Article VII, LBCA may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Conflict of Interest Statement
Of

NAME: _____

1. As a(n) _____ *[insert title or role]* of **Lobular Breast Cancer Alliance Inc.**, a Delaware nonprofit corporation (the “**LBCA**”), I acknowledge that I:
- a. received a copy of LBCA’s Ethics Policies dated _____, 2021, which includes a Conflicts of Interest policy;
 - b. read and understood the Conflicts of Interest policy;
 - c. agree to comply with the spirit and intent of the policy and will disclose any potential conflicts, other than those stated below, as they may arise before completion of my next conflict of interest statement; and
 - d. understand that LBCA is a charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
2. Based on a review of LBCA’s Conflicts of Interest policy, as indicated below, I am / am not aware of an interest that I or a related person may have that could give rise to a conflict of interest. If yes, I will complete Attachment A to this form.

- Yes, I am aware of a potential conflict of interest
- No, I am not aware of any potential conflict of interest

(select Yes or No, as applicable)

My answers above are accurately stated to the best of my knowledge and belief.

(signature)

Date: _____, 202__

Print Name: _____

Conflict of Interest Statement
Attachment A

1. Please list all relationships (if any) between you or a “related party” (as defined below) with LBCA that involve an actual or potential financial benefit to you or the related party or that otherwise may represent a conflict of interest within the spirit and intent of the policy. Include an estimate of the related actual or potential financial benefit.

2. Please list any business dealings during the past year (or, if applicable, since your last submission of this Conflict of Interest Statement) of which you are aware in which you or a “related party” (as defined below) have received any salary, gifts or loans from any source from which the Organization obtains goods or services or otherwise has business dealings:

3. Please list any potential or pending transaction to which LBCA is a party and in which you or a “related party” (as defined below) has a direct or indirect interest:

Note: A “related party” is (i) a family member, or (ii) a business or organization of which the person signing this statement or a family member (x) owns or expects to own, directly or indirectly, more than a 5% interest (whether as a stockholder, partner, trustee or other owner), (y) has a beneficial interest in a trust that owns directly or indirectly more than a 5% interest, or (z) is a director, officer, or employee. A “family member” is a parent (or more remote ancestor), spouse, brother, sister, spouse of a brother or sister, child, step-child, grandchild, great-grandchild or a spouse of a child, step-child, grandchild or great-grandchild of the person signing this statement.