

Houston Alumnae Panhellenic Foundation
Disclosure Statement

Houston Alumnae Panhellenic Foundation (the "Foundation") has adopted the attached Conflict of Interest Policy (the "Policy"). Each year, each Officer and Director of the Foundation shall sign this written statement certifying to all of the following:

- (i) I have received a copy of this Policy;
- (ii) I have read and understand this Policy;
- (iii) I agree to comply with this Policy;
- (iv) I understand that the Foundation is a Texas non-profit organization, and that, in order to maintain the tax-exempt status of the Foundation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, the Foundation must continuously engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Any member of the Board who refuses or fails to sign such a statement shall be prohibited from participating in discussion or action by the Board until such statement is signed.

In addition, please respond to the following questions:

1. Have you or any of your family members had any financial interest in any transaction to which the Foundation was a party?

Yes _____ No _____

If yes, please describe: _____

2. Do you or any of your family members have any financial interest in any pending or incomplete transaction to which the Foundation is, or is currently contemplated to be, a party?

Yes _____ No _____

If yes, please describe: _____

3. Did you receive or accrue compensation from any unrelated organization or individual for services rendered to the Foundation?

Yes _____ No _____

If yes, please describe: _____

4. Finally, each Officer and Director of the Foundation shall list below all governing boards such individual is on for the current year.

Electronic signatures and signed statements returned via facsimile are acceptable.

READ, UNDERSTOOD, and AGREED, this _____ day of _____, 20____.

Printed Name, Position and Signature

<u>Name of Organization</u>	<u>Board Term</u>	<u>Office, if applicable</u>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

(continue below and attach additional pages if necessary)

HOUSTON ALUMNAE PANHELLENIC FOUNDATION CONFLICT OF INTEREST POLICY

Section 1. Purpose

The purpose of the conflict of interest policy is to protect a corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

Section 2. Definitions

a. Interested Person

Any director, officer or member of a committee or program with Board-delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

b. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- i. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
- ii. A compensation arrangement with any entity or individual with which the corporation has a transaction or arrangement; or
- iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. A financial interest is not necessarily a conflict of interest. A person who has a financial interest shall be deemed to have a conflict of interest only if the Board or the appropriate committee decides that a conflict of interest exists.

Section 3. Procedures

a. Duty to Disclose

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of her financial interest and must be given the opportunity to disclose all material facts to the Directors and members of committees with Board- delegated powers considering the proposed transaction or arrangement.

b. 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, she shall leave the Board or committee meeting while the determination of whether a conflict of interest exists is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

c. Procedures for Addressing the Conflict of Interest

- i. An interested person may make a presentation at the Board or committee meeting, but after

such presentation, she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement those results in the conflict of interest. The Board or committee shall determine by majority vote of the disinterested Directors or committee members whether the transaction or arrangement is in the corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

d. Violations of the Conflict of Interest Policy

- i. If the Board or committee has reasonable cause to believe that 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.
- ii. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

e. Records of Proceedings

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

- i. 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 Board's or committee's decision as to whether a conflict of interest in fact existed; and
- ii. 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 therewith.

f. Annual Statements

Each director, officer and member of a committee with Board-delegated powers shall annually sign a statement which affirms that such person:

- i. Has received a copy of the conflict of interest policy;
- ii. Has read and understands the policy;
- iii. Has agreed to comply with the policy; and
- iv. Understands that the corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.