

## **DIRECTOR AND OFFICER CONFLICT OF INTEREST POLICY OF THE REPRODUCTIVE HEALTH ACCESS PROJECT**

1. Purpose. The purpose of this conflict of interest policy (the “Policy”) is to protect the interests of the Reproductive Health Access Project (“RHAP”) when it is contemplating entering into a transaction or arrangement that might improperly benefit the private interest of a director (a “Director”) or officer (“Officer”) of RHAP or might result in a possible excess benefit transaction to such Director or Officer. This Policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest applicable to non-for-profit and charitable organizations.

2. Definition of “Interest”. Whether a Director or Officer has an interest in an entity is determined by whether that Director or Officer would derive a significant individual economic benefit, either directly or indirectly, from any: (i) transaction or relationship involving such entity, or (ii) decision by RHAP’s Board of Directors (the “Board”), an appropriate committee thereof (“Committee”), or the Officer on a matter involving such entity (each, an “Interest”).

A Director or Officer has an Interest if the Director or Officer has, directly or indirectly, through business, investment, or Family (hereinafter defined):

(a) a 5% or greater ownership or investment interest in any entity or individual with which RHAP has a transaction or arrangement or with which RHAP is negotiating a transaction or arrangement; or

(b) a compensation arrangement with RHAP or with any entity or individual with which RHAP has a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

Family includes: the individual’s spouse, ancestors, children, grandchildren, great grandchildren, siblings (whether whole or half blood), and spouses of children, grandchildren, great grandchildren or siblings.

3. Definition of “Conflict of Interest”. An Interest is not necessarily a conflict of interest. Under this Policy, a Director or Officer who has an Interest has a conflict of interest only if, after the Director or Officer fully discloses the Interest to the Board or an appropriate Committee thereof, the Board or an appropriate Committee thereof determines that a conflict of interest exists (a “Conflict of Interest”).

4. Disclosure.

(a) Prior to a Director’s election to the Board or an Officer’s employment at RHAP, and thereafter on an annual basis, all Directors and Officers shall disclose in writing, to the best of their knowledge, any Interest (as defined in this Policy) such Director or Officer may have in any corporation, organization, partnership or other entity which provides professional or other goods or services to RHAP for a fee or other compensation, and any position or other material relationship such Director or Officer may have with any not-for-profit corporation with which

RHAP has a business relationship. A copy of each disclosure statement shall be kept in RHAP's files and made available to any Director or Officer upon request.

(b) If at any time during his or her term of service, a Director or Officer acquires any Interest or otherwise a circumstance arises which may pose a Conflict of Interest, that Interest or potential Conflict of Interest shall be promptly disclosed in writing to the Board President of RHAP and the Chair of the Audit Committee of the Board (the "Audit Committee").

(c) When any matter for decision or approval comes before the Board or any Committee thereof in which a Director or Officer has an Interest or a potential Conflict of Interest, such Director or Officer shall immediately disclose the Interest or potential Conflict of Interest to the Board or appropriate Committee thereof, together with all material facts. *Failure to disclose to the Board or an appropriate Committee thereof a known Interest or a known potential Conflict of Interest may be grounds for removal from the Board or RHAP.*

#### 5. Non-Participation and Voting.

(a) Procedure for Conflict of Interest Transactions. Any Director or Officer who has an Interest or potential Conflict of Interest in any matter, after disclosing to the Board or appropriate Committee thereof such Interest or potential Conflict of Interest, shall leave the room in which discussion is carried on regarding whether a Conflict of Interest exists and whether to approve the transaction or arrangement in question, except as provided in Section 5(b) below. *No Director or Officer shall vote or act on any matter in which he or she has been determined by the Board or an appropriate Committee thereof to have a Conflict of Interest.*

#### (b) Circumstances in Which Comparability Data is Necessary.

(i) A Director or Officer with an Interest or who has been determined to have a Conflict of Interest may make a presentation at a Board or Committee meeting, but after the presentation is over, such Director or Officer shall leave the room during the discussion of, and the vote on, the transaction or arrangement involving the Interest or Conflict of Interest.

(ii) If the transaction or arrangement involving an Interest or Conflict of Interest involves compensation for services of a member of the Board of Directors, a senior-ranking executive, or other individual deemed to be a "disqualified person" under the federal tax laws and regulations, or if the transaction or arrangement involves the transfer of property or other benefit to a Director, senior-ranking executive or other "disqualified person", the disinterested members of the Board or Committee thereof must determine that the value of the economic benefit provided by RHAP to the interested person does not exceed the value of the consideration received in exchange by obtaining and reviewing appropriate comparable data ("Comparability Data").

(iii) When considering the comparability of compensation, for example, the relevant Comparability Data which the Board or Committee may consider includes, but is not limited to (1) compensation levels paid by similarly situated organizations, both exempt and non-exempt; (2) the availability of similar services within the same geographic area; (3) current compensation surveys compiled by independent firms; and (4) written offers from similar institutions

competing for the same person's services. When the transaction involves the transfer of real property as compensation, the relevant factors include, but are not limited to (i) current independent appraisals of the property, and (ii) offers received in a competitive bidding process.

(iv) Based on the Comparability Data, the Board or Committee thereof shall determine by a majority vote of the disinterested members of the Board or Committee whether the transaction or arrangement is fair and reasonable to RHAP. In conformity with the above criteria, the Board or Committee shall make its decision as to whether to enter into the transaction or arrangement.

(v) If such transaction or arrangement is approved by the Board or a Committee thereof, such Board or Committee shall appropriately document such approval as provided in Section 8 below.

(c) Compensation.

(i) A voting member of the Board of Directors or an Officer who receives compensation, directly or indirectly, from RHAP for services is precluded from voting or acting on matters pertaining to that Director's or Officer's compensation.

(ii) A Director serving as a voting member of any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from RHAP for services is precluded from voting on matters pertaining to that member's compensation.

(iii) No voting member of the Board or any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from RHAP, either individually or collectively, is prohibited from providing information to any Committee regarding compensation.

6. Attempts to Influence. A Director or Officer shall not attempt to influence other Directors or Officers regarding matters in which the Director or Officer has an Interest or potential Conflict of Interest, without first disclosing that Interest or potential Conflict of Interest to the other Directors or Officers.

7. Audit Committee Review. The Audit Committee is authorized to review any contract that is proposed for approval by the Board regarding which a Director or Officer may have a Conflict of Interest (an "Interested Party Contract") and to investigate alternatives to the Interested Party Contract. The Audit Committee shall review the Interested Party Contract and, in accordance with this Policy, determine whether to authorize the contract; provided that if the contract is of a magnitude that would otherwise require full Board approval, the Committee shall submit the contract to the full Board for consideration, providing its recommendation as to whether or not to approve it. The Committee or the full Board shall, by a majority vote of disinterested Directors entitled to vote on the matter, determine whether the Interested Party Contract is in RHAP's best interest, for RHAP's own benefit, and whether it is fair and reasonable, and in conformity with the foregoing make its decision as to whether to approve the Interested Party Contract.

8. Records of Proceedings. The minutes of the Board and all Committees with Board delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were determined to have a potential or actual Interest and/or Conflict of Interest, the nature of the potential or actual Interest and/or Conflict of Interest, any action taken to determine whether an Interest or Conflict of Interest exists, and the Board's or Committee's decision as to whether an Interest and/or Conflict of Interest exists.

(b) The names of the persons who were present for discussions and votes relating to any determinations under Section 8(a) above, including whether the interested Director(s) or Officer(s) left the room during any such discussions, the content of such discussions, including alternatives to the Interested Party Contract (if any), and whether or not the Interested Party Contract was approved by the Board or a Committee thereof.

9. Annual Statements. Each Director and Officer shall annually sign a statement which affirms such person: (a) has received a copy of this Policy, (b) has read and understands the Policy, and (c) has agreed to comply with the Policy.

Adopted by RHAP's Board of Directors at its meeting on September 14, 2011.