



FAIR
Foundation Against Intolerance and Racism
CONFLICT OF INTEREST POLICY

I. Purpose.

The Board of Directors (the "Board") of FAIR (the "Corporation") believes that effective governance and operation depend on decision making by Directors, officers and other individuals who are in a position to exercise substantial influence over the affairs of the Corporation which is unbiased and appears to be unbiased. The Corporation recognizes that such individuals have financial and personal interests unrelated to the Corporation. However, conflicts of interest or the appearance of conflicts may occasionally arise. In order to avoid impermissible conflicts of interest, the Board has adopted this Conflict of Interest Policy (the "Policy"), which is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest with respect to public charities.

II. Related Party Transactions.

A. For purposes of this Policy, a "Related Party Transaction" is any transaction, agreement, or other arrangement in which a "Related Party," as hereinafter defined, has a direct or indirect financial interest and in which the Corporation or any "Affiliate," as hereinafter defined, of the Corporation is a participant. Any Related Party Transaction will be considered a conflict of interest for purposes of this Policy. A Related Party Transaction is not necessarily a prohibited transaction. Pursuant to the procedures outlined in this Policy, if the Corporation contemplates entering into a Related Party Transaction, the Board must determine if the transaction is fair, reasonable, and in the best interests of the Corporation at the time of such determination.

B. For purposes of this Policy:

- a. The term "Related Party" means (i) any Director, officer, or "Key Employee," as hereinafter defined, of the Corporation or any Affiliate of the Corporation, (ii) any "Relative," as hereinafter defined, of any person described in clause (i) and (iii), any entity in which any person described in clause (i) or (ii) has a thirty-five percent (35%) or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five percent (5%).
- b. The term "Affiliate" means any entity controlled by, in control of, or under common control with the Corporation;
- c. The term "Key Employee" means any person who is in a position to exercise substantial influence over the affairs of the Corporation, as referenced in 26 U.S.C. §4958(f)(1)(A) and further specified in 26 CFR § 53.4958-3(c), (d) and (e), or succeeding provisions.
- d. The term "Relative" means an individual's (i) spouse, ancestors, brother and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of such individuals and (ii) domestic partner.

III. Disclosure.

- A. Prior to a Director's initial election to the Board, an officer's appointment, or a Key Employee's employment at the Corporation, and thereafter on an annual basis, all Directors, officers, and Key

Employees shall submit a written statement (an "Annual Disclosure Statement"), a form of which is attached hereto as Appendix A, to the Secretary of the Corporation disclosing:

1. Any entity of which such person or a Relative of such person is an officer, director, trustee, member, owner (either as a sole proprietor or partner), or employee and with which the Corporation has a relationship;
2. Any direct or indirect financial interest such person or a Relative of such person may have in any corporation, organization, partnership, or other entity which provides professional or other goods or services to the Corporation for a fee or other compensation; and
3. Any position or other material relationship such Director, officer, Key Employee, or Relative of such person may have with any not-for-profit entity with which the Corporation has a business relationship.

B. The Secretary of the Corporation shall provide a copy of each Annual Disclosure Statement to the Chair of the Audit Committee, and each Annual Disclosure Statement shall be kept in the Corporation's files and made available to any Director, officer, or Key Employee upon request.

C. Any Related Party who has an actual or possible interest in any proposed Related Party Transaction shall disclose the material facts concerning such interest to the Audit Committee.

IV. Non-Participation and Review.

A. After disclosure by a Related Party to the Audit Committee, the Audit Committee shall report such potential conflict of interest to the Board.

B. The Related Party shall not be present at or participate in any meeting of the Board while the Board deliberates or votes on the potential Related Party Transaction. Notwithstanding the foregoing, the Related Party may appear at the meeting, at the request of the Board, for the sole purpose of presenting information and answering questions, but, after such questions have been answered, the Related Party must leave the meeting. The Related Party is prohibited from making any attempt to improperly influence the deliberation or voting on the potential Related Party Transaction.

C. If the Board determines the proposed transaction is a Related Party Transaction, prior to entering into the transaction, the Board shall:

1. If the transaction pertains to compensation for services or the transfer of property or other economic benefit to a Related Party, determine that the value of the economic benefit provided by the Corporation to the Related Party does not exceed the value of the consideration received in exchange by obtaining and reviewing appropriate "Comparability Data," as hereinafter defined. "Comparability Data" may include, but shall not be limited to, one or more of the following: (a) with respect to compensation, information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, the availability of similar services within the same geographic area, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations; and (b) with respect to the transfer of property, current independent appraisals of the property, and offers received in a competitive bidding process. If the transaction does not involve compensation for services or the transfer of property or other economic benefit to a Related Party, consider alternative transactions, to the extent available.

CI. After considering appropriate Comparability Data or alternative transactions, as the case may be, the Board shall approve the transaction only if it determines that it is fair, reasonable, and in the best interests of the Corporation at the time of such decision. The transaction shall be approved by not less than a majority vote of the members of the Board

CII. A voting member of the Board, an officer who receives compensation directly or indirectly from the Corporation for services, or a Director serving as a voting member of any Committee whose jurisdiction includes compensation matters is precluded from voting or acting on matters pertaining to that Director's or officer's compensation. Notwithstanding the foregoing provisions of this Policy, the fixing of salaries of officers shall require the affirmative vote of a majority of the entire Board.

V. Delegation.

A. The Board may delegate to the Audit Committee the review and approval of any Related Party Transaction, in accordance with the provisions of and procedures included in this Policy, provided, however, that if the Related Party Transaction is of a magnitude that would otherwise require full Board approval, the Audit Committee shall submit the Related Party Transaction to the Board for consideration after providing its recommendation as to whether or not to approve the transaction.

B. In the event the Board delegates the review and approval of any Related Party Transaction to the Audit Committee, in such situations all references to the Board in this Policy shall be deemed to refer to the Audit Committee and all references to a majority of the Board shall be deemed to refer to a majority of such Committee.

VI. Records of Proceedings. The existence and resolution of any actual or possible Related Party Transaction shall be contemporaneously documented in the Corporation's records, including in the minutes of any meeting at which the conflict was discussed or voted upon. Such record shall include (i) the name of each Related Party, (ii) the nature of the conflict, (iii) any action taken to determine whether a conflict of interest was present, (iv) the Board's decision as to whether the conflict of interest in fact existed, (v) the names of the persons present for discussions and votes relating to the proposed transaction, including whether the Related Party left the room during any such discussions, (vi) the content of the discussion, including the discussion of Comparability Data or alternatives to the proposed transaction and (vii) a record of any votes taken in connection with the proceedings.

VII. Annual Statements. Each Director, officer, and Key Employee shall annually sign and submit to the Secretary of the Corporation a statement, a form of which is attached hereto as Appendix B, which affirms such person: (i) has received a copy of this Policy, (ii) has read and understands the Policy, and (iii) has agreed to comply with the Policy.

VIII. Violations of the Conflict of Interest Policy. If the Board has reasonable cause to believe that any individual has violated the terms of this policy, they shall inform such individual of the basis for such belief and afford him or her an opportunity to explain the alleged violation. If, after hearing such individual's response and after making further investigation as warranted by the circumstances, the Board determines that a violation has occurred, the Board shall take appropriate disciplinary and corrective action.

IX. Interpretation. This policy cannot describe all potential conflicts of interest, and its application may be uncertain at times. Governing individuals should exercise the highest standards of ethical judgment and err on the side of caution. If there are any questions, the individuals concerned should consult with the Corporation's Audit Committee or legal counsel.

APPENDIX A
ANNUAL DISCLOSURE STATEMENT
FOR THE CALENDAR YEAR 2023

List any entity in which you or a "Relative," as defined in the Corporation's Conflict of Interest Policy, (other than any Relative who is required to submit his or her own Annual Disclosure Statement to the Corporation) are an officer, director, trustee, member, owner (either as a sole proprietor or partner), or employee and with which the Corporation

has a relationship, including entities that are grantees of the Corporation. If none, please write "None." FIRE, ILV

Do you or might you or any of your Relatives (other than any Relative who is required to submit his or her own Annual Disclosure Statement to the Corporation) have a direct or indirect financial interest in any transaction in which the Corporation is a participant? If yes, please describe. If no, please write "No." NO

Date 4/12/2023

Name Angel Eduardo

Signature 

Title Member, FAIR Board of Directors

APPENDIX B

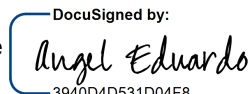
STATEMENT AFFIRMING COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY OF FAIR Foundation Against Intolerance and Racism

I hereby affirm that:

1. I have received a copy of the Conflict of Interest Policy of FAIR (the "Policy");
2. I have read and understood the Policy;
3. I agree to comply with the Policy; and
4. I understand FAIR is a charitable organization and in order to pursue and/or maintain its federal tax-exempt status must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Date 4/12/2023

Name Angel Eduardo

Signature 

Title Member, FAIR Board of Directors