

October 26, 2009

**PUBLIC INTEREST LAW CENTER OF PHILADELPHIA
FINANCIAL CONFLICT OF INTEREST POLICY.¹**

Disclosure of conflicts of interest

Employees, officers and directors shall disclose to the Executive Committee of the board the facts regarding: (i) any interest, or any interest of an immediate family member, in any organization or person furnishing property, goods or services to the Law Center or otherwise engaged in a transaction with the Law Center; (ii) any transaction² involving the Law Center that would benefit themselves, their immediate families, or any organization in which they have an interest; (iii) acceptance of any gift, entertainment or other favors of more than \$50 from any organization or person that is known to be furnishing property, goods or services to the Law Center³ or otherwise engaged in a transaction with the Law Center ; and (iv) any other financial or professional interest that may reasonably result in a conflict of interest with the Law Center or in the appearance of such a conflict.

Gifts prohibited without approval

Employees, officers and directors shall not accept any gift, entertainment or other favors for personal use of more than \$50 from any organization or person that such employee, officer or director knows to be furnishing property, goods or services to the Law Center or otherwise engaged in a transaction with the Law Center, unless such gift has been approved by the Executive Committee of the Board after disclosure as required above. If the nature of the gift is such that it is time-sensitive and approval cannot be obtained on a timely basis, then the employee, officer or director may seek approval from the Chair of the Board, or her designee, subject to subsequent ratification by the Executive Committee.

Procedure for entering into a transaction or arrangement after disclosure of conflict of interest

This paragraph applies in the event that the Law Center wishes to enter into a transaction in which an employee, officer or director has an interest that must be disclosed under this policy. In that event, the Law Center shall not enter into the transaction unless it is approved by the Board of Directors, subject to the following requirements. The Board may approve any such transaction, notwithstanding the conflict of interest, if by a majority vote of the disinterested directors the board determines that the transaction or arrangement is in the Law Center's best interest and for its own benefit, and is fair and reasonable to the Law Center. Any employee,

1 The Law Center employees, officers and directors also are bound by a separate Litigation Conflict of Interest and Client Confidentiality Policy.

2 A "transaction" for purposes of this Policy does not include a co-counseling agreement between the Law Center and a law firm or individual. Co-counseling arrangements shall instead be submitted to the Litigation Committee of the Board.

3 For purposes of this Policy, a person is not "known to be furnishing property, goods or services to the Law Center" if such person is making a donation to the Law Center or receives no tangible consideration for property, goods or services that they furnish.

officer or director who has the conflict of interest shall abstain from the consideration of, and voting on, the transaction or opportunity presented to the Board for approval, except to answer questions about it. Any director so abstaining may be counted in determining the presence of a quorum. The minutes of the meeting at which the vote on the transaction is taken shall reflect the board's determination and the votes of the directors. The Board may delegate these responsibilities to disinterested members of the Executive Committee of the board of directors.