

## **Conflicts of Interest Policy With Respect to the Making of Grants**

The Bylaws of A.D. Henderson Foundation, Inc. (the "Foundation") provide, in relevant part, that "any contract or act on behalf of the Corporation in a matter in which the Trustees or officers are personally interested as stockholders, Trustees, or otherwise shall be at arm's length and not violative of the proscriptions in the certificate of incorporation against the Corporation's use or application of its funds for private benefit." The application of this provision is fairly self-evident with respect to financial transactions between the Foundation and a Trustee or a person or organization in which a Trustee has a financial interest. However, it is more difficult to apply this provision to non-commercial transactions, and especially to the making of grants by the Foundation to an organization with which a Trustee, officer or staff member is identified. The Foundation shall take into account any other policies and guidelines previously adopted, including but limited to the Confidentiality Agreement dated January 2008. Accordingly, the Board of Trustees of the Foundation has adopted the following set of principles as a conflicts of interest policy with respect to the grant-making activities of the Foundation.

1. Each Trustee, officer and staff member of the Foundation (hereinafter an "Insider") is obligated to the Foundation and the Board of Trustees to disclose to the members of the Board of Trustees any role which the Insider or a member of the Insider's immediate family (parents, siblings, children, grandchildren and spouses of any of the foregoing) has with respect to a proposed grantee of the Foundation. Included among the roles that are to be disclosed are those of officers, employees or members of the governing board of a proposed grantee, or any other role that is similar to any of those mentioned.
2. No Insider shall participate in the deliberations or decisions concerning the awarding of a grant to a proposed grantee by the Foundation if that Insider or a member of the Insider's immediate family has a role with the proposed grantee of a type required to be disclosed under paragraph 1 of this Policy. However, the Insider may provide any information known to him or her about the proposed grantee to the Board of Trustees or Executive Committee that would be useful in considering a proposed grant to the organization.
3. No Insider may cause the Foundation to use its funds to satisfy a personal pledge or commitment by the Insider or any member of the Insider's immediate family to any organization, whether or not that pledge or commitment is legally enforceable.
4. No Insider may take credit in his or her name or that of a member of his or her immediate family for a grant made by the Foundation. The Foundation's Board of Trustee or Executive Committee, without the participation of the Insider, may make a grant to an organization in recognition or memory of an Insider or former Insider, but shall not make any such grant in recognition or memory of a person who has not personally provided funds, services or assistance to the Foundation.
5. The Board of Trustees may, in its discretion and without the participation of an Insider who has a role with a proposed grantee of the type required to be disclosed under paragraph 1 of this Policy, make a grant to an organization with which such an Insider is identified, but shall do so only after considering whether there is another organization equally capable of performing the desired services and whether the support of such other organization would better maintain the community perceptions of the Foundation as an unbiased and objective funder of charitable projects.
6. Conflict issues not specifically addressed by this Policy shall be reviewed by the Board of Trustees and acted upon in accordance with the principles of the Bylaws and this Policy.

# *The A.D. Henderson Foundation, Inc.*

## **Acknowledgment and Adherence to Conflict of Interest Policy**

The undersigned Member, Trustee, Fellow, Officer, or Staff member of The A.D. Henderson Foundation, Inc. hereby acknowledges that he/she has read the Foundation's Conflict of Interest Policy.

The undersigned hereby informs the Board of Trustees of the Foundation that he/she has the following official connections, such as Board memberships, offices, employee status, or serves as a professional, with applicants or prospective applicants for grants from the Foundation:

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The undersigned hereby informs the Board of Trustees of the Foundation that in the past fiscal year (October 1, 20\_\_ through September 30, 20\_\_), he/she or a member of his/her immediate family (parents, siblings, children, grandchildren and spouses of the foregoing) or an organization in which he/she has a material interest had the following dealings with the Foundation:

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Print name:

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Signature

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Date

### **REVISION HISTORY:**

<b>Revision</b>	<b>Discussion</b>	<b>Meeting Type</b>	<b>Date</b>
2	Reviewed & Executed	Board of Trustees	10/2008
1	Legal – Annual Meeting Changes Made	Board of Trustees	01/2008