

## 1. Purpose

- a. The purpose of the Conflict of Interest policy is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of any Trustee or volunteer of AXPEF or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

## 2. Definitions

- a. Interested Person: Any Trustee or member of a committee with powers delegated by the Board of Directors of the Foundation, 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 Foundation has a transaction or arrangement,
  - ii. A compensation arrangement with the Foundation or with any entity or individual with which the Foundation 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 Foundation is negotiating a transaction or arrangement.
- c. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
- d. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the AXPEF Trustees or applicable committee decides that a conflict of interest exists.

## 3. Duty to Disclose

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

#### **4. Determining Whether a Conflict of Interest Exists**

- a. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, that person shall leave the Board of Trustees or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board of Trustees or committee members shall decide if a conflict of interest exists.

#### **5. Procedures for Addressing the Conflict of Interest**

- a. An interested person may make a presentation at the Board of Trustees or committee meeting, but after the presentation, the interested person shall leave the meeting during the discussion of, and then vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The Chairman of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board of Trustees or committee shall determine whether the AXPEF can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Trustees or committee shall determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is in the AXPEF's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

#### **6. Violations of the Conflicts of Interest Policy**

- a. If the Board of Trustees or committee has reasonable cause to believe 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.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Trustees or committee determines the

member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Policy Revision History			
Revision Number	Approval Date	Section(s) Revised	Description
Initial	09-06-2025	All	Initial Publication