



CONFLICT OF INTEREST POLICY

March 2, 2023

Article I

Purpose, Scope and Application

1. This Conflict of Interest Policy is designed to help MCE Social Capital (**MCE**) identify transactions or arrangements that might present a potential conflict of interest. This Policy is further designed to provide MCE with a procedure that will allow such a transaction or arrangement to proceed if the Board of Directors of MCE determine the transaction or arrangement is in the best interests of MCE, is fair and reasonable, and is consistent with MCE's socially responsible purpose and operating principles. MCE is organized to serve the public interest, and each director, officer, employee, advisor and volunteer must act and use good judgment to maintain and further the public's trust and confidence in MCE.
2. This Policy establishes guidelines, procedures, and requirements for:
 - a. Identifying a Conflict of Interest and situations that may result in an actual, potential, or perceived Conflict of Interest; and
 - b. Appropriately managing a Conflict of Interest in accordance with legal requirements and the goals of accountability and transparency.
3. This Policy applies to all directors, officers, employees, and volunteers of MCE. All directors, officers, employees, and volunteers must familiarize themselves with and adhere to the principles and rules set out in this Policy.
4. This Policy is intended to supplement but not replace any state and federal laws governing conflicts of interest applicable to non-profit and charitable organizations.
5. Any questions about this Policy should be referred to the General Counsel, who is in charge of administering, enforcing, and updating this Policy.

Article II Definitions

“Board” means the board of directors of MCE.

“Board Committee” means a committee of the Board that has Board-delegated powers.

“Conflict of Interest” means situations where, in the judgment of the Board or relevant Board Committee:

- a. The Covered Interests of a Covered Person interfere or compete with MCE’s interests.
- b. The stake of a Covered Person in a transaction or arrangement is such that it reduces the likelihood that such person's influence can be exercised impartially in the best interests of MCE.
- c. A director, officer, employee, or volunteer has divided loyalties.

Under Article III, Section 2, a Covered Person has a Conflict of Interest only if the Board or relevant Board Committee decides that a Conflict of Interest exists.

“Covered Interest” means either, directly or indirectly:

- a. a Financial Interest; or
- b. a legal commitment, including by virtue of a board appointment, employment position or volunteer arrangement, to act in the interests of another entity or individual.

A Covered Interest is not necessarily a Conflict of Interest.

“Covered Person” means any member of MCE’s Board, officer, member or advisor to a Board Committee, employee, consultant, volunteer or other person designated by the Board as subject to this Policy.

“Financial Interest” means, in respect of a Covered Person, directly or indirectly, through business, investment, or family:

- a. An actual or potential compensation arrangement with MCE, or with any entity or individual with which MCE has a transaction or arrangement or is negotiating a transaction or arrangement, or

b. An actual or potential ownership or investment interest in any entity with which MCE has a transaction or arrangement or is negotiating a transaction or arrangement.

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

Article III Procedures

1. Duty to Disclose

Each Covered Person shall annually sign a certification in the form attached hereto as Exhibit A. Moreover, each Covered Person must disclose the existence of any Covered Interest as soon as such Covered Person identifies that there may be a Conflict of Interest, and insofar as possible, before MCE or such Covered Person enters into the proposed transaction or arrangement that may give rise to the Conflict of Interest.

The disclosure shall be made to:

- a. the Board, if the Covered Person is a director or officer;
- b. to a Board Committee, with respect to matters presented before such Board Committee, if the Covered Person is a member or adviser to a Board Committee; or
- c. the Covered Person's manager or supervisor if the Covered Person is an employee, consultant, volunteer or other person subject to this Policy; the manager or supervisor who shall in turn inform the Board or Board Committee of the disclosed Conflict of Interest.

The Covered Person shall be given the opportunity to disclose all material facts to the Board or relevant Board Committee concerning the proposed transaction or arrangement, including the circumstances giving rise to the potential Conflict of Interest.

2. Determining Whether a Conflict of Interest Exists; Procedures for Addressing the Conflict of Interest

a. A Covered Person with a Covered Interest may make a presentation to the Board or relevant Board Committee disclosing the Covered Interest and all material facts at the meeting considering the potential Conflict of Interest.

b. After such presentation, the Covered Person may be posed questions by the other members of the Board or relevant Board Committee, after which, the Covered Person shall be asked to leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the potential Conflict of Interest. The Covered Person shall not participate in or be permitted to hear the Board or Board Committee's discussion of or voting upon the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.

c. If no presentation is made by the Covered Person that has a direct or indirect financial interest at a meeting of Board or Board Committee considering the potential Conflict of Interest, the Covered Person shall disclose to the chair of the meeting all facts material to the Conflict of Interest, and the chair shall report on the disclosure at the meeting.

d. The Board or Board Committee shall decide by majority vote (excluding the person with the Conflict of Interest) whether a Conflict of Interest exists.

e. If the Board or Board Committee determines that a Conflict of Interest exists, the chair of the meeting shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

f. After exercising due diligence, the Board or Board Committee shall determine whether MCE 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.

g. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or Board Committee shall determine by majority vote of the disinterested members whether the transaction or arrangement is in MCE's best interests, is fair and reasonable, and is consistent with MCE's socially responsible purpose and operating principles. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

h. The Board has determined that a member of the Board does not have a Conflict of Interest if he or she (or a designated entity) purchases a note from MCE, makes a private loan to MCE, or signs a Philanthropic Guarantee Agreement with MCE. The Board has also determined that members or advisers to Board Committees, or officers, do not have a conflict of interest if they (or a designated entity) purchase a note

from MCE, makes a private loan to MCE, or signs a Philanthropic Guarantee Agreement with MCE. Each member of the Board or a Board Committee must still detail any of these relationships in Exhibit A of the Conflict of Interest form. All other Covered Persons must address potential conflicts via the procedures articulated above.

3. Violations of the Conflicts of Interest Policy

a. If the Board has reasonable cause to believe a Covered Person has failed to disclose actual or possible Conflicts of Interest, the Board shall inform such Covered Person of the basis for such belief and afford the Covered Person an opportunity to explain the alleged failure to disclose.

b. If, after hearing the Covered Person's response and after making further investigation as warranted by the circumstances, the Board determines the Covered Person has failed to disclose an actual or possible Conflict of Interest, MCE shall take appropriate disciplinary and corrective action.

c. Each member of the Board, member or advisor to a Board Committee, officer, employee, and volunteer is responsible for reporting to the Board or to his or her manager or supervisor any suspected failure to disclose by any Covered Person, regardless of position, in accordance with MCE's Whistleblower Policy.

4. Solicitations

The Board confirm that solicitation of donations and businesses amongst Members of the Board, members and advisors of Board Committees, and volunteers is discretionary, and should be done with due regard to each Member's interests and capabilities.

5. Confidentiality

a. MCE shall maintain the confidentiality of any disclosures made in connection with this Policy.

b. Each director, officer, employee, and volunteer shall exercise care not to use, publish, or disclose confidential information acquired in connection with disclosures of actual, potential, or perceived Conflicts of Interest during or subsequent to his or her employment, participation as a volunteer, or participation on the Board or on any of the Board Committees.

Article IV
Records of Proceedings

6. Minutes to Reflect Proceedings

The minutes of the Board or Board Committee meeting considering an actual or possible conflict of interest shall contain:

a. The names of the persons who disclosed or otherwise were found to have an actual, potential or perceived Conflict of Interest, the nature of the Covered Interest, any action taken to determine whether a Conflict of Interest was present, whether the Interested Person was present during the determination and the decision of the Members as to whether a Conflict of Interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V Annual Certification

7. Annual Certification; Duty to Update

Each Covered Person shall annually sign a certification in the form attached hereto as Exhibit A. Each Covered Person shall also promptly furnish MCE with an updated certification in the event that the certification previously furnished to MCE is no longer true and complete.

EXHIBIT A



CONFLICT OF INTEREST CERTIFICATION

Name: _____

Please describe below any relationship, position, or circumstance in which you are directly or indirectly involved, through business, investment or family, that is or could contribute to a "Covered Interest" under the MCE Social Capital Conflict of Interest Policy. If none, so state. (If more space needed, please attach related pages).

Please identify below all organizations which you are affiliated with as a Board member, committee member, employee, consultant, agent or in any other capacity (If more space needed, please attach related pages).

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I agree to **promptly furnish MCE with an updated certification in the event that the certification I previously furnished to MCE is no longer true and complete.** I have reviewed, understand and agree to abide by, the Conflict of Interest Policy of MCE Social Capital that is currently in effect.

Signature: _____ Date: _____