

TOIGO ALUMNI ENDOWMENT
CONFLICT OF INTEREST POLICY
FOR BOARD OF DIRECTORS

This Conflict of Interest Policy includes the requirements of the California Corporations Code applicable to Non Profit Corporations but sets a higher standard appropriate for a Non Profit that works with the investment community and provides financial assistance to and mentors students entering the financial services industry.

Board Members are expected to use their best judgment to adhere to high ethical standards and to conduct themselves in a manner as to avoid any actual or potential conflict between the Board Member's personal interests and the interests of the Toigo Alumni Endowment. A conflict of interest exists when the Board Member's loyalties or actions are divided between the Endowment's interests and the Board Member's personal interests. A Board Member who is unsure as to whether a transaction, decision or relationship constitutes a conflict of interest should discuss it with the Chair of the Board for clarification.

In general, when conducting the business of the Toigo Alumni Endowment, including specifically when selecting, retaining or removing investment managers of the Endowment's assets, a conflict of interest will be presumed when a Board Member or someone with whom the Board Member has a close relationship (such as a family member or household member) serves as a trustee, director, officer or stockholder of an affected organization or firm; has a formal affiliation or interest in an affected organization or firm; or could expect financial gain or loss from a particular decision. Recognizing that it is not possible to describe all possible conflicts of interest that could develop, some of the common direct conflicts from which a Board Member or someone with whom the Board Member has a close relationship should abstain include:

1. Accepting gifts or entertainment from current or prospective investment managers or service providers of the Endowment^(A);
2. Using proprietary or confidential Endowment information for personal gain or to the Endowment's detriment;
3. Having a direct or indirect financial interest in any activity undertaken by the Endowment;
4. Using Endowment assets or labor for personal use; or
5. Representing that the Endowment will give financial or other support to any activity, organization or individual, unless the request for such support has already been approved by the Board.

The following cases illustrate the existence or absence of a conflict of interest:

1. A Board Member who is an owner of a business that performs services for the Endowment for more than a nominal fee most likely has a conflict of interest even though the Board Member may not personally perform the services. A conflict of interest exists because the Board Member shares in the profits from such fees as an owner and therefore has a material financial interest in any transaction with the business.
2. A Board Member who owns an insignificant number of shares in a publicly traded company whose business activities with the Endowment have no significant effect on the financial performance of that company generally does not have a conflict of interest in any transaction with the company.

PROCEDURES

The following procedures will apply to the resolution of any conflict of interest which cannot otherwise be avoided:

1. Any potential conflict of interest that may affect a matter under consideration shall be disclosed by the Board Member to the Board of Directors and made a matter of record as soon as the potential conflict is determined.
2. The interested Board Member shall not vote on such matter and shall not attempt to exert influence in connection with the matter.
3. The minutes of the meeting shall reflect that such a disclosure was made and the affected member abstained from voting.
4. For any matter in which the Board Member has a material financial interest, the following additional procedures shall apply prior to entering into the transaction:
 - a. The Board of Directors determines in good faith that the Endowment will enter into the transaction for its own benefit; the Board of Directors determines in good faith that the transaction is fair and reasonable to the Endowment; and the Board of Directors determines in good faith after reasonable investigation that the Endowment could not have obtained more advantageous arrangements with reasonable effort under the circumstances.
 - b. If the transaction is to be considered for approval by a committee of the Board of Directors, the following shall apply:
 - i. It was not reasonably practicable to obtain approval of the full Board of Directors prior to entering into the transaction; and
 - ii. The Board of Directors, after determining that the conditions of sections 4, were satisfied, ratifies the transaction at its next meeting following approval by the committee by a vote of a majority of the Board Members then in office without counting the vote of the interested Board Member.

“Material Financial Interest” includes a business that is a significant source of income to the Board Member (through a salary or other payments) or in which the Board Member is an officer or owns more than a 10% interest or from which the Board

Member receives a commission based upon the matter that is being considered by the Endowment.

6. Any person who has knowledge of any action or conduct that appears contrary to these Conflict of Interest Policies and Procedures shall report the same to the Chair of the Board of Directors.
7. These Conflict of Interest Policies and Procedures shall apply to the member of a committee of the Board of Directors as if each committee member were a Board Member.
8. Each Board Member shall be advised of the Conflict of Interest Policy and Procedures prior to commencement of the Board Member's term of office.

If a Board Member or someone with whom a Board Member has had a close relationship (such as a family member or household member) has or has had, a financial, employment or personal relationship with an investment manager or vendor to the Endowment, the Board Member must disclose this fact in writing to the Corporate Secretary.

(A) Board members may not keep gifts or accept entertainment from investment managers or service providers of the Endowment (collectively defined as "Business Contacts"), either current or prospective, other than those of nominal value as defined herein. If a Board Member receives a gift from a Business Contact that the Board Member knows or should know exceeds \$100 in value, the gift must be declined, returned or contributed to the Endowment. Gifts include merchandise, gift certificates, securities and cash. Entertainment is considered to include any events after business hours where the Business contact assumes the cost of the event. Such events include, but are not limited to dinners, attendance at sporting events, theatrical events and social outings (such as cocktail hours and golf outings). If a Board Member receives entertainment that the Board Member knows or should know exceeds \$250 in value the invitation must be declined or the difference reimbursed. Further, Board Members may not participate in or accept more than 12 entertainment events per year. Breakfasts and lunches taken with Business Contacts during business hours are not considered gifts or entertainment. Personal gifts from an individual with which a Board Member has a personal relationship to recognize a personal event or holiday (birthday, wedding, new baby) are not subject to the guidelines outlined above.

Approved: 8/07