

The Trevor Project, Inc.

Board Conflict of Interest Policy and Agreement

Conflict of Interest Policy

The purpose of this Board Conflict of Interest Policy and Agreement is to protect The Trevor Project, Inc. (“The Trevor Project”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of persons related to the organization. The Trevor Project strives to avoid conflicts of interest to ensure that it continues to operate in accordance with its tax-exempt purpose and the requirements of California Nonprofit Public Benefit Corporation Law. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Definitions

Interested Person

Any director or officer of The Trevor Project who has a direct or indirect financial interest, as defined below, is an interested person.

Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- A material ownership or investment interest in any entity with which The Trevor Project has a transaction or arrangement;
- A compensation arrangement with The Trevor Project or with any entity or individual with which The Trevor Project has a transaction or arrangement;
- A material potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which The Trevor Project is negotiating a transaction or arrangement; or
- Any other financial interest as may be set forth from time to time in the California Nonprofit Public Benefit Corporation Law.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. The Board of Directors (the “Board”) shall decide whether a conflict of interest exists under this policy.

Requirements and Procedures

Determining Whether a Conflict of Interest Exists; Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and must disclose all material facts to the Board for its consideration of the proposed transaction or arrangement, its determination whether a conflict of interest exists and its determination whether The Trevor Project should proceed with the proposed transaction notwithstanding the conflict. The determination of the Board with respect to such matters shall be conclusive.

Procedures for Addressing a Potential Conflict of Interest

- An interested person may make a presentation at a Board meeting disclosing the existence and nature of the individual's financial interest in a proposed transaction or arrangement. After the presentation, he, she or they shall leave the meeting and shall not participate in the discussion and any vote on the proposed transaction or arrangement.
- The Board may determine that the nature of the applicable financial interest is so insubstantial as to not rise to the level of a conflict of interest, or that the facts do not reflect a conflict of interest.
- If the Board determines that a conflict of interest exists, the Chairperson of the Board, if appropriate, may appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After investigation, the Board shall determine whether The Trevor Project can obtain with reasonable efforts a more advantageous transaction or arrangement under the circumstances from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably available, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the organization's best interest, for its own benefit, and whether it is fair and reasonable.
- A committee may be appointed to approve an interested transaction only if it was not reasonably practicable to obtain approval of the Board prior to entering into the transaction and the Board ratifies the transaction at its next meeting by a vote of the majority of the directors then in office without counting the vote of the interested individual(s).

Violations of the Conflict of Interest Policy

If the Board has reasonable cause to believe a director 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.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action. The determination of the Board with respect to such matters shall be conclusive.

Records of Proceedings

The minutes of the Board and all committees with board-delegated powers at which an interested transaction is considered shall contain:

The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the names of the persons who disclosed or otherwise were found to have a financial interest in connection with a proposed transaction, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, the Board's decision as to whether a conflict of interest in fact existed and the nature of and basis for the Board's decision on how to proceed with respect to the transaction.

Compensation

Directors and members of committees may not receive any compensation for their services as such, but may receive reasonable reimbursements of expenses as may be fixed or determined by resolution of the Board of Directors, excluding where otherwise provided for herein. Notwithstanding the provision of this paragraph, the Executive Committee is empowered to approve reasonable compensation of a director for services to The Trevor Project that are independent of the director's duties as a director or committee member.

Annual Statements

Each director or officer of the Board shall sign a statement in the form of the Conflict of Interest Agreement attached hereto, upon the beginning of his, her or their term and each year following the commencement of his, her or their term.

Periodic Reviews

To ensure the organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews of The Trevor Project's compensation practices and conflict-of-interest policies shall be conducted by the Board. The periodic reviews shall, at a minimum, include the following subjects:

Whether the compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

Whether any partnerships, joint ventures, and arrangements with management organizations conform to The Trevor Project's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement and/or impermissible private benefits.

Use of Outside Experts

When conducting the periodic reviews as provided for above, the organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Board Conflict of Interest Agreement*

I, _____, hereby certify that I have received, read,
(Print name)

understand and am in compliance with the terms of the foregoing Board Conflict of Interest Policy. I agree to abide by the requirements of the Board Conflict of Interest Policy and to inform the Chairperson of the Board or the Chief Executive Officer immediately if I believe any violation (unintentional or otherwise) of the policy has occurred.

I understand the organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

I understand that violation of the Board Conflict of Interest Policy may lead to disciplinary action, up to and including termination of my service with The Trevor Project.

Date: _____

Signature: _____

Title: _____

*Please list below (attach a separate sheet if necessary) all ongoing relationships and interests that you have that may present a conflict of interest. Disclosures should address current affiliations, as well as past affiliations for the prior two years, and should include all of the following: the undersigned's employer, all corporations or other organizations (nonprofit and for-profit) of which the undersigned is a board member or officer (or similar position), and the names of such of the undersigned's family members or business affiliates or any other relationships the undersigned has which the undersigned believes may present a potential conflict.

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