Satellite House

Conflict of Interest Policy (Adopted by the Board of Directors of Satellite House on 7/2/2026)

Article I — Purpose

The purpose of this Conflict of Interest Policy is to protect the interests of **Satellite House** (the "Corporation") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, or key employee, or might result in a possible excess benefit transaction as defined by the Internal Revenue Code. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest for nonprofit and charitable organizations.

Article II — Definitions

- **Interested Person:** Any director, officer, or key employee who has a direct or indirect financial interest, as defined below.
- **Financial Interest:** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
    - An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;
    - A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
    - A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.
    - **Substantial Gift:** For the purposes of this policy, a substantial gift or favor is defined as any item or service exceeding $250 in value.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

Article III — 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 all material facts to the Board of Directors and members of

committees considering the proposed transaction or arrangement. Directors with ongoing conflicts, such as business ownership, shall maintain a 'Standing Disclosure' record updated annually, rather than relying solely on meeting-by-meeting disclosure.

Article IV — Procedures

1. **Recusal:** After disclosure, the interested person shall leave the meeting while the matter is discussed and voted upon.

2. **Determination:** The remaining disinterested Board members shall decide if a conflict of interest exists.

3. **Alternative Options:** If a conflict exists, the Board shall determine whether the Corporation can obtain a more advantageous transaction or arrangement that would not give rise to a conflict.

4. **Approval:** If no better alternative is reasonably possible, the Board may approve the transaction by a majority vote of the disinterested directors, provided it is fair and in the Corporation's best interest.

5. **Competitive Bidding:** For any transaction involving an interested person, the Board must obtain at least two independent, comparable quotes to demonstrate fair market value.

6. **Independent Monitor:** For transactions involving the President or key leaders, the Board shall designate a neutral 'Conflict Monitor' from the disinterested directors to manage the recusal and review process, ensuring independence."

Article V — Records of Proceedings

The minutes of the Board and all committees shall include:

- The names of persons who disclosed or were found to have a conflict of interest;
- The nature of the conflict;
- The decision on whether a conflict existed;

- The names of those present for discussions and votes;
- The content of the discussion and any alternatives considered;
- The vote taken.

Article VI — Annual Statements

Each director, officer, and key employee shall annually sign a statement affirming that they:

- Have received a copy of this policy;
- Have read and understand the policy;
- Agree to comply with the policy;
- Understand that the Corporation is a charitable organization and must engage primarily in activities that accomplish its tax-exempt purposes.

Article VII — Periodic Reviews

The Corporation shall conduct periodic reviews to ensure that it operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status. These reviews shall include:

- Whether compensation arrangements and benefits are reasonable and not excessive;
- Whether partnerships, joint ventures, and arrangements with management organizations conform to written policies and safeguard the Corporation's interests.

Article VIII — Use of Outside Experts

When conducting periodic reviews, the Corporation may, but need not, use outside advisors. If used, their use shall not relieve the Board of its responsibility for ensuring compliance.

Adoption

Adopted by the Board of Directors on: July 2, 2026

Amended: September 8, 2026

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President: _____ 9/15/26

Secretary: _____ 9/15/26