

BIRMINGHAM VOLUNTEER LAWYERS PROGRAM
CONFLICT OF INTEREST POLICY

Article I
Purpose

Birmingham Volunteer Lawyers Program (“BVL”) is a non-profit, tax-exempt organization. Maintenance of its tax-exempt status is important both for BVL’s continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of BVL as a public trust, which is subject to scrutiny by and accountable to governmental authorities, as well as to members of the public.

The purpose of this conflict of interest policy is to protect BVL’s interest when it is contemplating entering a transaction or arrangement that might benefit the private interest of an officer, director, or employee of BVL, or might result in a possible excess benefit transaction. This policy is intended to supplement, but not to replace, any applicable state and federal laws governing conflicts of interest applicable to non-profit and charitable organizations.

Generally speaking, there exists between BVL and its board of directors, officers and management employees and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The board, officers and management employees have the responsibility of administering the affairs of BVL honestly and prudently and of exercising their best skill, care and judgment for the sole benefit of BVL. All these persons must exercise the utmost good faith in all transactions involved in their duties and they may not use their positions with BVL, or any knowledge gained therefrom, for their personal benefit. BVL’s interests must be the first priority in all decisions and actions.

This Conflict of Interest Policy is intended to supplement the good judgment of the directors and officers of the BVL. Directors and officers should strive to avoid not only actual conflicts of interest, but also the perception of a conflict.

Article II
Definitions

1. Interested Person. Any BVL director, principal officer (including the Executive Director), or employee who has a direct or indirect financial interest (as defined below) is an “Interested Person”.

2. Financial Interest. A person has a financial interest if the person has, either directly or indirectly, through business, investment or family:

(a) an ownership or investment interest in any entity with which BVLP has a transaction or arrangement;

(b) a compensation arrangement with BVLP or with any entity or individual with which BVLP has a transaction or arrangement (compensation includes direct and indirect remuneration, as well as gifts or favors that are not insubstantial); or

(c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which BVLP is negotiating a transaction or arrangement.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2 below, a person who has a financial interest may have a conflict of interest only if BVLP's Board of Directors decides that a conflict of interest exists.

Article III **Procedures**

1. 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 be given the opportunity to disclose all material facts related thereto to BVLP's Board of Directors which is considering the proposed transaction or arrangement. If the Interested Person is an employee other than the Executive Director, the Interested Person may first disclose the existence of the financial interest and all material facts to the Executive Director, who must then disclose the same to the Board of Directors.

2. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the Interested Person, the person having the actual or possible conflict of interest shall leave the Board of Directors' meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board members shall decide if a conflict of interest exists.

3. Procedure for Addressing the Conflict of Interest.

(a) Any Interested Person may make a presentation at the Board of Directors' meeting, but after the presentation, he/she shall leave the meeting

during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(b) The chairperson of the Board of Directors 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 Directors shall determine whether BVLP 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, BVLP's Board of Directors shall determine, by a majority vote of the disinterested directors, whether the transaction or arrangement is in BVLP's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, BVLP's Board of Directors shall make its decision as to whether to enter into the proposed transaction or arrangement.

4. Violations of the Conflicts of Interest Policy.

(a) If the Board of Directors has reasonable cause to believe that a potentially Interested Person has failed to disclose actual or possible conflicts of interest, the Board shall inform such Interested Person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

(b) If after hearing the alleged Interested Person's response and after making any further investigation warranted by the circumstances, the Board of Directors determines that the person has failed to disclose an actual or possible conflict of interest, the Board shall take appropriate disciplinary and corrective action.

Article IV
Records of Proceedings

The minutes of BVLP's Board of Directors and of all committees shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine

whether a conflict of interest was present, and the Board of Directors' determination as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and voting 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 **Compensation**

(a) A voting member of BVLP's Board of Directors who receives compensation, directly or indirectly, from BVLP for services is precluded from voting on matters pertaining to that member's compensation.

(b) A voting member of any committee of BVLP's Board of Directors whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from BVLP for services is precluded from voting on matters pertaining to that member's compensation.

(c) No voting member of the Board of Directors whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from BVLP, either individually or collectively, is prohibited from providing information to the Board regarding compensation.

Article VI **Annual Statements**

Each of BVLP's directors and principal officers shall annually sign a statement which affirms that such person:

- (a) has received a copy of this conflict of interest policy;
- (b) has read and understands the policy;
- (c) has agreed to comply with the policy; and

(d) understands that BVLP is a charitable organization and that, in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII
Periodic Reviews

To ensure that BVLP operates in a manner consistent with charitable purposes, and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. These periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based upon competent survey information, and are the result of arm's-length bargaining.

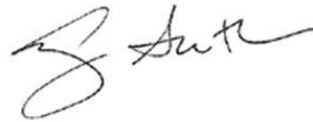
(b) Whether partnerships, joint ventures, and other arrangements with management organizations conform to BVLP's written policies, are properly recorded, reflect reasonable investment or payment for goods and services, further BVLP's charitable purposes, and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews provided for in Article VII, BVLP may, but need not, use outside advisors. If outside advisors are used, their use shall not relieve the Board of Directors of its responsibility for ensuring that periodic reviews are conducted.

BVLP reserves the right to modify or amend this policy at any time as it may deem necessary.

This policy was adopted by the BVLP Board of Directors on July 6, 2016, and will remain in full force and effect, unless and until modified, amended or rescinded by such Board.



Chairperson, Board of Directors

ATTEST:



Secretary, Board of Directors