

QIAN ZHENG MEMORIAL SCHOLARSHIP CONFLICT OF INTEREST POLICY

Article I: Purpose

This Conflict of Interest Policy is designed to increase public confidence in the integrity of Qian Zheng Memorial Scholarship (the "Organization"). It concerns transactions (as defined below) that might benefit the private interest of a member of the governing board of the Organization (the "Board"), or of a board member, mentor, volunteer, or employee (as defined below) of the Organization.

Article II: Definitions

Covered Persons: The following persons are covered by this policy:

- a) Each member of the Board
- b) Mentors and other volunteers
- c) Employees who manage activities, assets, income, and expenses of the Organization.

Interest: Any direct or indirect material financial interest, whether through commitment, relationship, obligation, investment, involvement, or otherwise, that may influence a person's judgment, including, but not limited to, receipt of compensation from the Organization, or a sale, loan, or exchange transaction with the Organization.

Conflict of interest: A conflict of interest exists when a Covered Person or a person related to the Covered Person by family or business relationship ("interested person") has a material financial interest in the transaction, such that it reduces the likelihood that the Covered Person's judgment can be exercised impartially in the best interests of the Organization.

Transaction: Any contract, agreement, or arrangement between an interested person and the Organization, or between the Organization and any third party, where an interested person has a material financial interest in the transaction or in any entity or person who is a party to the transaction.

Article III: Procedures

Duty to Disclose: In advance of the proposed transaction, each Covered Person shall disclose to the governing board all material facts regarding his or her interest (including relevant relationships or affiliations to parties involved) in the transaction. The Covered Person shall make that disclosure promptly upon learning of the proposed transaction.

Determining Whether a Conflict of Interest Exists: The Board shall determine if a conflict of interest exists.

Procedures for Addressing a Conflict of Interest: The Organization's Board shall follow the procedures set forth in Article IV (below) in order to decide:

- a) the measures needed to protect the Organization's interests in light of the nature and seriousness of the potential conflict;
- b) whether to enter into the transaction; and
- c) how to ensure that the terms of the transaction are appropriate.

If the potential conflict involves a member of the Board, that board member shall not vote or make decisions on behalf of the Organization regarding the conflict and transaction. The remaining members of the Board shall make the decisions regarding the conflict and transaction.

Article IV: Review by the Board

The Board shall seek to ensure that all material facts regarding the transaction and the potential conflict of interest have been disclosed to the Board and shall review appropriate data to determine whether the proposed transaction is just and reasonable to the Organization. The Organization's Board may ask questions of and receive presentation(s) from the Covered Person(s) and any interested person and may deliberate and vote on the transaction in their presence.

After exercising due diligence, which may include investigating alternatives that present no conflict, the Board shall determine whether the transaction is in the Organization's best interest, for its own benefit, and whether it is just and reasonable to the Organization. If so, the transaction can be approved by a majority vote of members of the Board at a meeting. If the potential conflict of interest involves a member of the Board, that member shall not vote on the transaction.

Article V: Records of Proceedings

The Board shall make a record of its decision-making process. The record shall contain:

- a) the name of each interested person who disclosed or was otherwise determined to have an interest in a transaction;
- b) the nature of the interest and whether it was determined to constitute a conflict of interest;
- c) any alternative transactions considered by the Board;
- d) the members of the Board who were present during the debate on the transaction, those who voted on it, and to what extent interested persons were excluded from the deliberations;
- e) any data or other information obtained and relied upon by the Board and how the information was obtained; and
- f) the result of the vote, including, if applicable, the terms of the transaction that was approved and the date it was approved.

Article VI: Annual Disclosure and Compliance Statements

Each Covered Person shall annually sign a statement using the attached form:

- affirming that the person has received a copy of this Conflict of Interest Policy, has read and understood the policy, and has agreed to comply with the policy; and
- disclosing the person's financial interests and family relationships or business relationships that could give rise to conflicts of interest.

Article VII: Violations

If the Board has reasonable cause to believe that a Covered Person has failed to disclose actual or possible conflicts of interest, including those arising from a transaction with a related interested person, it shall inform such Covered Person of the basis for this belief and give the Covered Person an opportunity to explain the failure to disclose. If, after hearing the Covered Person's response and making any investigation called for by the circumstances, the Board determines that the Covered Person failed to disclose an actual or possible conflict of interest, the Board shall take appropriate disciplinary and corrective action.

Article VIII: Adoption and Review of Policy

This policy was adopted by the Board of the Organization at its Meeting held on May 28th, 2022. To ensure the Organization operates in a manner consistent with its status as a nonprofit organization, the Board shall periodically review the administration of this Conflict of Interest Policy. The review shall consider compliance with the policy, and whether the policy should be modified and improved.

[Covered Persons should complete and sign acknowledgment and disclosure form on page 3]

**QIAN ZHENG MEMORIAL SCHOLARSHIP
CONFLICT OF INTEREST POLICY ACKNOWLEDGMENT & FINANCIAL INTEREST
DISCLOSURE STATEMENT**

I understand that Qian Zheng Memorial Scholarship follows a Conflict of Interest Policy designed to increase public confidence in the Organization’s integrity and to protect the Organization’s interests when considering a transaction or arrangement that might benefit the private interest of a member of the governing body of the Organization, or of a Board member, mentor, volunteer or employee of the Organization.

I understand that a “conflict of interest” arises when a person in a position of authority in the Organization or a person related (by family or business relationship) to the person in a position of authority has a material financial interest in a transaction, such that it reduces the likelihood that the person’s judgment can be exercised impartially in the best interests of the Organization.

I understand that I must promptly disclose to the Board all material facts regarding my interest (including relevant relationships or affiliations to parties involved) in the proposed transaction.

By signing below, I acknowledge that I received a copy of Qian Zheng Memorial Scholarship’s Conflict of Interest Policy, I read and understood it, and I agree to comply with its terms. I have disclosed (either above or in a previous disclosure statement) any material financial interest in a transaction involving me or a family member.

Signature	Printed Name	Date
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Please sign and return a completed copy of this page to QianZheng.Scholarship@gmail.com