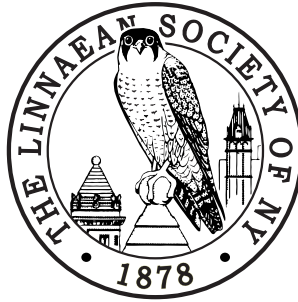


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# The Linnaean Society of New York



## 2021 Conflict of Interest Policy

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**THE LINNAEAN SOCIETY OF NEW YORK LTD.  
CONFLICT OF INTEREST POLICY**

**ARTICLE I  
PURPOSE**

Section 1. The purpose of this policy (the “Policy”) is to protect the interests of The Linnaean Society of New York Ltd. (the “Corporation”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Director, Officer, or Key Person of the Corporation or one of their Relatives. The Corporation will not enter into any such transaction or arrangement unless it is determined by the Corporation’s Board of Directors’ (the “Board”) in the manner described below to be fair, reasonable and in the best interests of the Corporation at the time of such determination

Section 2. This Policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to not-for-profit and charitable organizations. All terms not otherwise defined in this Policy shall have the meaning ascribed to them in the Corporation’s bylaws (the “Bylaws”).

**ARTICLE II  
DEFINITIONS**

Section 1. “Affiliate” means a person or entity that is directly or indirectly, through one or more intermediaries, controlled by, in control of, or under common control with the Corporation where “control” means the direct or indirect ownership of over 50% of the capital stock (or other ownership interest, if not a corporation) of any entity or the possession, directly or indirectly, of the power to direct the management and policies of such entity by ownership of voting securities, by contract or otherwise and where “controlling” means having control of any entity, and “controlled” shall mean being the subject of control by another entity.

Section 2. “Financial Interest” means the economic benefit received by a person or entity, directly or indirectly, from any transaction, agreement, compensation agreement, including direct or indirect remuneration as well as gifts or favors that are not insubstantial, or other arrangement involving the Corporation.

Section 3. “Independent Director” means a member of the Board who: (i) has not been an employee or a Key Person of the Corporation or an Affiliate of the Corporation within the last three years; (ii) does not have a Relative who has been a Key Person of the Corporation or an Affiliate of the Corporation within the last three years; (iii) has not received and does not have a Relative who has received more than \$10,000 in compensation directly from the Corporation or an Affiliate of the Corporation in any of the last three years (not including reasonable compensation for services or reimbursement for expenses reasonably incurred as a Director of the Corporation, as set by the Corporation); (iv) does not have a substantial Financial Interest in and is not an employee of, and does not have a Relative who has a

substantial Financial Interest in or is an officer of, any entity that has provided payments, property or services to, or received payments, property or services from, the Corporation or an Affiliate of the Corporation in excess of the following, as applicable: (i) the lesser of \$10,000 or 2% of the entity's consolidated gross revenue in any of the last three fiscal years if such consolidated gross revenue was less than \$500,000; (ii) \$25,000 if the entity's consolidated gross revenue in any of the last three fiscal years was \$500,000 or more but less than \$10,000,000; or (iii) \$100,000 if the entity's consolidated gross revenue in any of the last three fiscal years was \$10,000,000 or more; (v) is not and does not have a Relative who is a current owner, whether wholly or partially, director, officer or employee of the Corporation's outside auditor or who has worked on the Corporation's audit at any time during the past three years; (vi) is not in an employment relationship under control or direction of any Related Party and does not receive payments subject to approval of a Related Party; or (vii) does not approve a transaction providing economic benefits to any Related Party who in turn has approved or will approve a transaction providing economic benefits to the Director.

Section 4. "Key Person" means a person who: (i) has responsibilities, or exercises powers or influence over the Corporation as a whole similar to the responsibilities, powers, or influence of directors and officers; (ii) manages the Corporation, or a segment of the Corporation that represents a substantial portion of the activities, assets, income or expenses of the Corporation; or (iii) alone or with others controls or determines a substantial portion of the Corporation's capital expenditures or operating budget.

Section 5. "Officer" means a person who has the authority to bind the Corporation as designated in the Bylaws.

Section 6. "Related Party" means persons or entities, as applicable, who are: (i) Directors, Officers, Members or Key Persons of the Corporation or an Affiliate of the Corporation; (ii) Relatives of Directors, Officers, Members or Key Persons of the Corporation or Relatives of persons described in items (iv), (v) or (vii) of this definition; (iii) any entity in which a person described in the foregoing items (i) or (ii) of this definition has a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%; (iv) founders of the Corporation; (v) substantial contributors to the Corporation (within the current fiscal year or the past five fiscal years); (vi) any non-stock entity controlled by one or more Directors, Officers, Members or Key Persons of the Corporation; or (vii) any other person who is, or has within the last five years, been in a position to exercise substantial influence over the affairs of the Corporation.

Section 7. "Related Party Transaction" means any transaction, agreement or any other arrangement with the Corporation or an Affiliate of the Corporation in which a Related Party has a Financial Interest (as determined by the Board). Any Related Party Transaction will be considered a conflict of interest for purposes of this Policy.

Section 8. “Relative” means a spouse or domestic partner as defined in section 2994-A of the New York Public Health Law, ancestor, child (whether natural or adopted), grandchild, great grandchild, sibling (whether whole or half-blood), or spouse or domestic partner of a child (whether natural or adopted), grandchild, great grandchild or sibling (whether whole or half-blood).

### ARTICLE III

#### RELATED PARTY TRANSACTIONS AND DUTY TO DISCLOSE

Section 1. Under this Policy, if the Corporation contemplates entering into a Related Party Transaction, the Board must determine if the transaction is fair, reasonable, and in the best interests of the Corporation. A Related Party Transaction is not necessarily a prohibited transaction.

Section 2. If at any time, a matter for decision or approval comes before the Board or is otherwise subject to a vote of the Members in which a Related Party has a Financial Interest, that Financial Interest must be promptly disclosed in writing to the Board (or to the person (if any) designated by the Board), together with all material facts. The Board will then follow the procedures outlined in Article IV of this Policy.

Section 3. Failure to disclose to the Board a known Financial Interest or potential Related Party Transaction may be grounds for removal from the Board or termination of Membership in the Corporation.

### ARTICLE IV

#### DISCLOSURE AND VOTING

Section 1. Any Related Party with a Financial Interest (or, in the case of persons described in Section 6(ii) of Article II, the Director, Officer, Member or Key Person that is a Relative of the Related Party) shall disclose in good faith all material facts of such Related Party’s Financial Interest to the Board.

Section 2. All transactions, agreements or any other arrangements between the Corporation and a Related Party, and any other transactions which may involve a potential conflict of interest, shall be reviewed by the Board. No Related Party with a Financial Interest (or, in the case of persons described in Section 6(ii) of Article II, Director, Officer, Member or Key Person that is a Relative of such Related Party) shall vote, act, or attempt to influence improperly the Board’s deliberations on any contemplated Related Party Transaction. Any attempt by a Related Party with a Financial Interest (or, in the case of persons described in Section 6(ii) of Article II, Director, Officer, Member or Key Person that is a Relative of such Related Party) to vote, act, or improperly influence deliberations by the Board on a contemplated Related Party Transaction may be grounds for removal from the Board, termination of such person’s position as an officer of or Membership in the Corporation, or such other consequence as may be determined by the Board pursuant to the Corporation’s Certificate of Incorporation or Bylaws or under applicable law. All Related Parties

with a Financial Interest (or, in the case of persons described in Section 6(ii) of Article II, Directors, Officers, Members or Key Persons that are Relatives of such Related Parties) shall leave the room while such deliberations and voting are conducted, although at the request of the Board they may provide information regarding the contemplated Related Party Transaction prior to the Board's deliberations.

Section 3. If the contemplated Related Party Transaction pertains to compensation for services or the transfer of property or other economic benefit to a Related Party, prior to entering into the transaction, the Board must determine that the value of the economic benefit provided by the Corporation to the Related Party does not exceed the value of the consideration received in exchange by obtaining and reviewing appropriate comparable data, including by considering alternative transactions to the extent possible.

Section 4. The Corporation will not enter into any Related Party Transaction unless it is determined to be fair, reasonable and in the best interest of the Corporation and is approved by no less than the affirmative vote of a majority of the Directors present at the time of the vote at a duly held meeting of the Board at which a quorum is present. The Board shall document the meeting contemporaneously as described in Article V of this Policy. Any Board member that has a material interest in any contemplated Related Party Transaction disclosed pursuant to this Article IV will abstain from voting to approve such Related Party Transaction and will not count toward the required quorum for any vote to approve such Related Party Transaction.

Section 5. A Director or Officer who receives compensation directly or indirectly from the Corporation for services, or a Director or Officer serving as a member of any Committee of the Board whose jurisdiction includes compensation matters, is precluded from voting or acting on matters pertaining to that Director's or Officer's compensation. Such members may, however, upon request of the Board, provide information regarding compensation.

## ARTICLE V RECORDS OF PROCEEDINGS

Section 1. The minutes of all meetings of the Board and all committee meetings at which a Related Party Transaction is considered shall contain:

- (i) The names of the persons who disclosed or otherwise were determined to have a potential or actual Financial Interest and/or conflict of interest, the nature of the potential or actual Financial Interest and/or conflict of interest, any action taken to determine whether a Financial Interest or conflict of interest exists, and the Board's determination as to whether a Financial Interest and/or conflict of interest exists.
- (ii) The names of the persons who were present for deliberations and votes relating to any determinations under this Policy, including whether the Related Party (or the Member affiliated with the Related Party, if the Related Party is not a Member) left the room during any such deliberations,

the content of such deliberations, including consideration of alternative transactions, and whether or not the transaction with the Related Party was approved by the Board.

- (iii) The minutes shall document contemporaneously the deliberations and determination regarding any Financial Interest or conflict of interest.

## **ARTICLE VI INITIAL AND ANNUAL WRITTEN DISCLOSURES**

Section 1. Prior to a Director's initial election to the Board, or an Officer's or a Key Person's employment by the Corporation, and thereafter on an annual basis, all Directors, Officer's, and Key Persons shall disclose in writing to the Board:

- (i) Any entity of which the Director, Officer or Key Person is an officer, director, trustee, voting member, owner (in whole or in part) or employee and with which the Corporation has a financial relationship.
- (ii) Any transaction in which the Corporation is a participant and in which the Director, Officer or Key Person, or one of his or her Relatives, might have a conflicting interest.

Section 2. A copy of each disclosure statement shall be kept in the Corporation's files and made available to any Director, Officer or Key Person upon request.

## **ARTICLE VII ANNUAL STATEMENTS**

Each Director, Officer and Key Person shall annually sign and submit to the Board (or to the person (if any) designated by the Board) a statement which affirms such person: (a) has received a copy of this Policy, (b) has read and understands the Policy, and (c) has agreed to comply with the Policy.

## **ARTICLE VIII AUDIT OR OTHER COMMITTEE REVIEW**

The Board may delegate to a Board committee, which shall be composed solely of Independent Directors, the adoption, implementation of and compliance with this Policy. The Board may delegate to such Board committee review and approval of any Related Party Transaction involving a Related Party and the Corporation, as contained in this Policy; provided that if the Related Party Transaction would otherwise require full Board or Member approval, the committee shall submit the Related Party Transaction to the Board or Members, as applicable, for consideration, providing its recommendation as to whether or not to approve it.

**ARTICLE IX**  
**CONFLICT OF INTEREST POLICY ADOPTION**

Adopted by the Corporation's Board of Directors at its meeting on October 5, 2021.