

**Board Policy 0102: Conflict of Interest and Disclosure of Certain Interests****1. PURPOSE**

This policy contains guidelines regarding disclosure of conflict of interests for directors, officers and employees of The Claremont Colleges, Inc.

**2. POLICY**

WHEREAS, there exists between directors, officers, and employees and The Claremont Colleges, Inc. (hereafter "TCC") a fiduciary relationship which carries with it a duty of loyalty and fidelity; and

WHEREAS, it is the responsibility of directors, officers, and employees of TCC to administer its affairs honestly and economically, exercising their best care, skill, and judgment for the benefit of TCC; and

WHEREAS, it is also the responsibility of directors and officers of TCC to make full disclosure of any interest which might result in a conflict on their part, and the Board of Directors (hereafter "the Board") makes a like requirement of an employee and forbids any material conflict of interest on the part of an employee, including an officer who is an employee; and

WHEREAS, the law of the State of California and the Bylaws of TCC require that not more than forty-nine percent (49%) of the persons serving on the Board may be "Interested persons." Interested persons means: (1) Any person currently being compensated by TCC for services rendered to it within the previous twelve months, whether as a full- or part- time employee, independent contractor, or otherwise, and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, father-in-law, or mother-in-law of any such person; and

WHEREAS, the law of the State of California indicates that any transaction to which TCC is a party and in which one or more of its directors has a material financial interest may be deemed to be a self-dealing transaction; and

WHEREAS, it is deemed to be timely and appropriate to adopt a Policy on Conflict of Interest for the guidance of the directors, officers, and employees so as to insure adherence to the aforementioned policies and avoidance of conflicts of interests;

NOW THEREFORE, BE IT RESOLVED, that the following Policy on Conflict of Interest be and the same hereby is adopted.

FIRST: Directors, officers, and employees should exercise the utmost good faith in all transactions touching upon their duties to TCC and its property. In their dealings with and on behalf of TCC they are held to a strict rule of honest and fair dealing between themselves and TCC. They shall not use their positions, or knowledge gained therefrom, so that a conflict might arise between TCC interest and that of the individual.

SECOND: No director, officer, or employee shall accept any favor that might influence that person to act in conflict with the interests of TCC.

THIRD: Any director, officer, or employee who becomes aware of any transaction or situation which, as to his or her own self or other, may create a conflict of interest between any director, officer, or employee and TCC shall promptly report the possible conflict of interest by writing directly to the TCC Audit Committee. The report shall furnish the facts that create the possible conflict of interest, so far as they are known to the person who is reporting. Because the acts of an interested person (certain relatives of a director) may be considered as self-dealing, their transactions with TCC, which may create a possible conflict of interest, should also be reported.

FOURTH: In addition to the foregoing requirements, annually, the Chief Executive Officer of TCC shall send to all directors, officers, and senior administrative staff of TCC a copy of this resolution with a covering letter and a questionnaire which shall be completed and returned to the Chief Executive Officer. Every new director, officer, or senior administrative staff member shall receive those documents upon assumption of his or her duties.

FIFTH: The Chief Executive Officer shall submit a confidential report to the TCC Audit Committee of the Board of Directors concerning any potential conflicts of interest of members of the Board or others who are officers of the Board or Senior Staff of TCC.

Attachments: Explanation and Definitions  
Conflict of Interest Declaration form

Policy History: Approved by CUC Board, September 12, 2001  
Approved for name change revision by TCC Board of Directors, April 3, 2018  
Revision approved by TCC Board, August 23, 2018

The Current “Annual Conflict of Interest Declaration Form” is attached to this Policy.