

RESOLUTION OF THE BOARD OF TRUSTEES OF DILLARD UNIVERSITY

BE IT RESOLVED, that the policy set forth in this statement, applicable to all members of the Board of Trustees of Dillard University (“the University”), was unanimously approved by the Board of Trustees at its May 12, 2023 meeting and replaces the prior policy approved in 2018.

CONFLICT OF INTEREST

POLICY ON CONFLICTS OF INTEREST FOR MEMBERS OF THE DILLARD UNIVERSITY BOARD OF TRUSTEES

I. POLICY STATEMENT

Members of the Board of Trustees have a clear fiduciary obligation to the University in connection with their service in such capacities. At all times they shall act in a manner consistent with this fiduciary obligation and shall exercise particular care that no detriment to the interests of the University (or appearance of such detriment) may result from a conflict between those interests and any personal interests which the individual Trustee may have.

A conflict of interest may arise whenever a Trustee or member of his or her family: (1) has an existing or potential interest which impairs or might impair his or her independent judgment in the discharge of responsibilities to the University or, (2) receive a material benefit from knowledge of information which is confidential to the University. For the purposes of this policy, the “family” of a Trustee includes his or her spouse, parents, siblings, children, and any individual living in the same household. In all cases, excessive personal benefit, self-dealing and insider loans are strictly prohibited.

It is often difficult to define what might be considered a potential conflict. Trustees, however, should regularly examine if they have an “official relationship” with any company, partnership, corporation or other entity with which the University does business or is seeking to do business. For the purposes of this policy, an “official relationship” is when a trustee or a member of his/her immediate family serves as an officer, director, employee, partner, proprietor, or is the owner of 10% or more of the stock of an entity which does business with the University.

This policy does not prohibit any manner of relationship between a Trustee’s personal business dealings and the University. In fact, the University seeks to rely upon its Trustees to provide valued guidance and expertise in a wide range of fields. This policy does, however, require that Trustees remain hyper-vigilant for circumstances where a Trustee could be in a position to influence the University’s business decisions in a manner that would unduly benefit the Trustee or create the appearance of such an undue

benefit. Ordinarily, making full disclosure of such relationships and making appropriate arrangements to mitigate potential conflicts would resolve such problems.

II. CONFLICTS OF INTEREST WITH RESPECT TO PARTICULAR TRANSACTIONS

If one or more Trustee(s) believes that he or she may have a conflict of interest with respect to any particular transaction, he or she shall promptly and fully disclose the potential conflict and all relevant information to the University's General Counsel and Chairperson of the Audit Committee of the Board of Trustees. The Audit Committee shall review the proposed transaction and all relevant information.

If the Audit Committee determines that there is in fact a conflict of interest or a potential conflict of interest with respect to a Trustee(s), the affected Trustee(s) shall agree to answer any questions the members of the Audit committee may have. The Audit Committee shall compare the proposed transaction against available comparable market values and the role the affected Trustee(s) play with respect to such transaction. The Audit Committee shall report the conflict(s) or potential conflict to the full Board, and the affected Trustee(s) shall agree to answer any questions about the matter that members of the Board may have.

If the particular transaction requires a vote of the Board, or one of its committees, the affected Trustee(s) shall not be counted for purposes of a quorum nor shall the affected Trustee(s) vote on the issue. Although the affected Trustee(s) shall be present to answer questions, the affected Trustee(s) shall be sequestered during the discussion of the issue. The minutes shall reflect that the affected Trustee(s) did not vote and the sequestration of the affected Trustee(s).

If the Audit Committee determines that there is no conflict of interest with respect to a particular transaction involving a Trustee, the Secretary of the Board shall keep a record of the decision, which shall be available to the members of the Board of Trustees upon request.

If the Audit Committee, by a majority vote, determines that a potential conflict of interest does exist, but may be mitigated by measures put in place by the Board and/or the University, the Committee shall instruct the University to put in place such measures and/or request a meeting of the Board or Executive Committee with the purpose of voting on such measures. For illustrative purpose, mitigation measures may include requiring the affected Trustee(s) to recuse himself/herself from any meetings, committees, or sub-committees addressing the subject of the potential conflict or instituting an information embargo for the affected Trustee(s) on matters related to the relevant transaction(s).

III. POTENTIAL CONFLICTS OF INTEREST

Each member of the Board of Trustees shall file a statement in January of each year with the Chairperson of the Audit Committee setting forth any conflicts of interest which might be expected to occur within the following year. The statement shall disclose as fully as possible the nature of potential conflicts and the nature of the Trustee's interest in the potential transactions, and all statements and all statements which anticipate conflicts of interest shall be circulated to members of the Board of Trustees. Each Trustee shall agree to answer any questions about potential conflicts that Board members may have.

IV. CONFIDENTIALITY POLICY

All information concerning actual or potential conflicts of interest on the part of members of the Board of Trustees shall be held in confidence unless required by law or the best interests of the University dictate otherwise. Where disclosure is not required by law, any disclosure beyond the members of the Board of Trustees and President of the University shall take place only upon the majority vote of the Board of Trustees of the University.