

CONFLICT OF INTEREST POLICY

(Revised 4/13/2026)

Article I

Purpose

The purpose of this Conflict of Interest Policy (this “Policy”) is to (1) protect the interests of LITERACY COLLIER, (the “Corporation”), a tax-exempt organization, when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer or Key Person or might result in a possible excess benefit transaction; (2) provide our definition of a conflict and (3) guide board members in how to declare and deal with potential and real Conflict of Interest situations.

This Policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to not-for-profit, charitable organizations in Florida. This Policy applies to all directors, officers and Key Persons of the Corporation.

Article II

Definitions

1. Affiliate

An Affiliate includes any entity controlled by or in control of Literacy Collier.

2. Board

The Literacy Collier’s Board of Directors shall be the “Board” under this Policy

3. Covered Personnel

The directors, officers and Key Persons shall be “Covered Personnel” under this Policy.

4. Conflict of Interest

A Conflict of Interest may exist whenever an individual owes a duty to more than one person or organization, or when an individual's personal interests or concerns are potentially inconsistent with, or divergent from, the interests of Literacy Collier.

5. Family

Family of a person includes his or her spouse or domestic partner, ancestors, brothers and sisters, children, grandchildren, great-grandchildren, and spouses or domestic partners of brothers, sisters, children, grandchildren and great-grandchildren.

6. Financial Interest

A person has a Financial Interest if the person has, directly or indirectly, through business, investment, or Family:

- a. An ownership or beneficial interest in any corporation or limited liability company of 35% or more or more than 5% in a partnership or professional corporation with which the Literacy Collier has a transaction or arrangement or with which the Literacy Collier is negotiating a transaction or arrangement, or
- b. Any compensation arrangement from which a person receives a financial benefit or other form of remuneration or incentive based upon a transaction or arrangement involving the Literacy Collier. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

7. Interested Person

Any Covered Personnel who has a direct or indirect Financial Interest or other personal interest in a transaction or other arrangement involving Literacy Collier is an interested person.

8. Key Person

A Key Person means any person, other than an officer or trustee, whether or not an employee of Literacy Collier, who is in a position to exercise substantial influence over the affairs of Literacy Collier, including, but not limited to, any person who: (i) has responsibilities, or exercises powers or influence over Literacy Collier as a whole similar to the responsibilities, powers, or influence of directors and officers; (ii) manages Literacy Collier, or a segment of Literacy Collier 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.

9. Related Party

A Related Party includes: (1) any trustee, director, officer, or Key Person of Literacy Collier or

any Affiliate; (2) Family of any individual described in clause (1) of this definition; or (3) any entity in which any individual described in clause (1) or (2) of this definition has a thirty-five percent or greater ownership or beneficial interest in or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five percent.

10. Related Party Transaction

A Related Party Transaction includes any transaction, agreement or any other arrangement in which a Related Party has a Financial Interest and in which Literacy Collier or an Affiliate is a participant; provided that, if (1) the transaction or the Related Party's Financial Interest in the transaction is de minimis, or (2) the transaction is of a type the Board or boards of similar organizations would not customarily review in the ordinary course of business and the transaction is available to others on the same or similar terms, then the transaction is not a Related Party Transaction. A transaction, agreement or other arrangement otherwise meeting the requirements for a Related Party Transaction is a Related Party Transaction even if the Board determines that a Conflict of Interest does not exist.

Article III

Procedures

1. Duty to Disclose

In addition to the annual statements set forth in Article VI of this Policy, in connection with any actual or possible Conflict of Interest or any potential Related Party Transaction, an Interested Person must disclose the existence of the Financial Interest, or other personal interest that may give rise to a Conflict of Interest, and be given the opportunity to disclose all material facts to the directors and members of committees with Board delegated powers considering the proposed transaction or arrangement. The disclosure shall be made to the Board.

2. Procedures for Addressing the Conflict of Interest

After disclosure of the Financial Interest or other personal interest and all material facts, the Board shall determine if a Conflict of Interest exists in accordance with the following:

a. An Interested Person may make a presentation regarding the arrangement or transaction involving the possible Conflict of Interest to the Board. After exercising due diligence, the Board shall determine by a majority vote of the disinterested members whether a Conflict of Interest exists. If the Board determines that a Conflict of Interest does exist, then the Interested Person is prohibited from attempting to improperly influence any deliberation or voting related to the transaction or arrangement involving the Conflict of Interest. Further, the Interested Person must leave a meeting during the discussion of, and the vote on, any such transaction or arrangement. If the Board determines that a Conflict of Interest does not exist, then the Interested Person may participate in any discussion or vote related to such transaction or

arrangement; provided that if the transaction or arrangement constitutes a Related Party Transaction then it must be approved in accordance with the procedures set forth in the Section of this Policy entitled "Related Party Transactions".

b. If the Board determines that a Conflict of Interest does exist, then it shall also make a determination as to whether the transaction or arrangement involving the Conflict of Interest is in Literacy Collier's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination the Board shall determine whether it should approve the transaction or arrangement; provided that if the transaction or arrangement involving a possible Conflict of Interest constitutes a Related Party Transaction then it must be approved in accordance with the procedures set forth in the Section of this Policy entitled "Related Party Transactions".

3. Related Party Transactions

a. Any Covered Personnel with any interest in a Related Party Transaction shall make a good faith disclosure of all material facts related to such interest to the Board. The Board shall review all the material facts related to the proposed Related Party Transaction and request any additional information that it deems necessary to complete such review.

b. The Board shall first review the Proposed Related Party Transaction to determine whether the Related Party's Financial Interest in the transaction or arrangement is substantial (which shall be determined in accordance with any guidance issued by the Office of the Florida Attorney General). If the Board determines that the Related Party's Financial Interest in the proposed Related Party Transaction is not substantial, then it may approve the proposed Related Party Transaction if it determines that the transaction is fair, reasonable and in the best interests of Literacy Collier. If the Board determines that the Related Party's Financial Interest in the proposed Related Party Transaction is substantial, then it shall undertake the review set forth in Article III Section 3.c. of this Policy.

c. For any proposed Related Party Transaction in which a Related Party's Financial Interest is substantial, the Board shall consider alternative transactions to the proposed Related Party Transaction to the extent any alternative transactions are available. Following its review of the proposed Related Party Transaction and any available alternative transactions, if a majority of disinterested members of the Board determines that the proposed Related Party Transaction is fair, reasonable and in the best interests of Literacy Collier, then it may authorize the proposed Related Party Transaction. The Board shall document in the minutes of the meeting at which such determination is made, the basis for its determination that the proposed Related Party Transaction is fair, reasonable and in the best interests of Literacy Collier and any alternative transactions that were considered when making this determination. Literacy Collier shall not enter into a Related Party Transaction unless it is approved in accordance with this Policy.

d. At the time of any deliberation or decision by the Board concerning the authorization of a

proposed Related Party Transaction, the Interested Person shall not be present at the meeting, and such Interested Person shall not attempt to improperly influence any deliberations or voting regarding the Related Party Transaction; provided that the Board may request the Interested Person to provide information regarding the Related Party Transaction prior to the commencement of deliberations or voting thereon. Any Related Party Transaction that is approved without complying with the procedure set forth in this section shall be void.

5. Avoidance of the Appearance of Conflict of Interest

Because Literacy Collier relies upon directors who are actively engaged in the community, it is not unusual for its directors to be on the volunteer governing boards of not for profit organizations with which Literacy Collier may undertake transactions. In such cases, the director must disclose the relationship, may present any relevant information, but must leave the room for discussion and voting upon that particular transaction.

6. Violations of the Conflicts of Interest Policy

- a. If the Board or a committee has reasonable cause to believe a member has failed to disclose actual or possible Conflicts of Interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible Conflict of Interest, it shall take appropriate disciplinary and corrective action.

Article IV

Records of Proceedings

The minutes of the Board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a Financial Interest or other personal interest in connection with an actual or possible Conflict of Interest, the nature of the Financial Interest or personal interest, any action taken to determine whether a Conflict of Interest was present, and the Board's or committee's decision as to whether a Conflict of Interest in fact existed.
- b. The names of the persons who were present for discussions and votes 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

With respect to any member of the Board or any committee who receives compensation, directly or indirectly, from Literacy Collier for services (a) such person shall not participate in any deliberations or voting related to such person's compensation; and (b) notwithstanding the same, such person shall not be prohibited from participating in any board or committee activities regarding the compensation of other individuals.

Article VI

Annual Statements

Prior to a person's initial election and annually thereafter, each director shall sign a statement: (1) whereby such person identifies, to the best of such person's knowledge, any entity of which such person is an officer, director, trustee, member, owner, or employee and with which Literacy Collier has a relationship, and any transaction in which the Corporation is a participant and in which the person might have a conflicting interest; and (2) which affirms such person:

- a. Has received a copy of this Policy,
- b. Has read and understands this Policy,
- c. Has agreed to comply with this Policy, and
- d. Understands Literacy Collier is charitable and 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

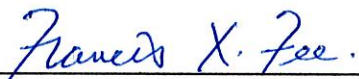
To ensure Literacy Collier operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based upon competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to Literacy Collier's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further 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 as provided for in Article VII, the Literacy Collier may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.



Francis Fee, Literacy Collier Board of Directors Chair

Approved by the Board of Directors on: 4/13/26