

PUBLIC REALM IMPROVEMENT FUND GOVERNING GROUP INC.

CONFLICT OF INTEREST POLICY AND CODE OF ETHICS FOR DIRECTORS AND OFFICERS

This conflict of interest policy and code of ethics (“Policy”) of the Public Realm Improvement Fund Governing Group Inc. (the “Corporation”) is applicable to all directors, officers and Key Employees, as defined below (each, a “Covered Person”). This Policy is intended to supplement, but not replace, any applicable laws governing conflicts of interest applicable to the Corporation.

A. General. All directors, officers and staff, if any, owe a duty of loyalty to the Corporation. The duty of loyalty requires that they exercise their powers in good faith and in the best interests of the Corporation, rather than in their own interests or the interests of another entity or person. Additionally, and notwithstanding anything herein to the contrary, municipal officers are subject to the prohibitions against conflicts of interest pursuant to Chapter 68 of the New York City Charter.

Conflicts between the interests of the Corporation and the personal or financial interests of a Covered Person may arise from time to time. This Policy is designed to assist the directors, officers and others in the Corporation in identifying conflicts of interest and in handling them appropriately. Neither the Corporation nor any Covered Person shall enter into any transaction or arrangement that involves an actual, potential, or apparent conflict of interest except in compliance with this Policy.

B. Applicability. This Policy applies to any Covered Person who at any time during the past five years was:

1. A director of the Corporation;
2. An officer of the Corporation or
3. A “Key Employee” of the Corporation which includes any employee, volunteer, independent contractor and substantial contributor who has the ability and opportunity to exercise substantial influence over the Corporation.

C. Conflict of Interest. A conflict of interest arises whenever the interests of the Corporation come into conflict with a competing financial, familial or personal interest of a Covered Person, or otherwise whenever a Covered Person’s financial, familial or personal interest could be reasonably viewed as affecting their objectivity or independence in fulfilling their duties to the Corporation.

While it is not possible to anticipate all possible conflict situations, conflicts of interest typically arise whenever a Covered Person has (directly or indirectly):

1. an interest (financial or otherwise) in a transaction, agreement or any other arrangement and in which the Corporation or any affiliate participates;
2. a compensation arrangement or other interest in a transaction with the Corporation;

3. a compensation arrangement or other interest in or affiliation (subject to *de minimis* exceptions) with any entity or individual that: (a) sells goods or services to, or purchases goods or services from, the Corporation; (b) competes with the Corporation; or (c) the Corporation has, or is negotiating, or contemplating negotiating, any other transaction or arrangement;
4. the ability to use his or her position, or confidential information or assets of the Corporation to his or her (or a Related Party's (defined below)) personal advantage or for an improper or illegal purpose;
5. solicited or accepted any gift, entertainment, or other favor where such gift might create the appearance of influence on the Covered Person (other than gifts of nominal value, which are clearly tokens of respect and friendship unrelated to any particular transaction);
6. acquired any property or other rights in which the Corporation has, or the Covered Person knows or has reason to believe at the time of acquisition that the Corporation is likely to have, an interest;
7. an opportunity related to the activities of the Corporation that is available to the Corporation or to the Covered Person, unless the Board has made an informed decision that the Corporation will not pursue that opportunity;
8. been indebted to the Corporation, other than for amounts due for ordinary travel and expense advances; or
9. any other circumstances that may, in fact or in appearance, make it difficult for the Covered Person to exercise independence, objective judgment or otherwise perform his/her duties effectively.

Employment or service with the City of New York or a related entity shall not create a conflict of interest for a Covered Person within the meaning of this Policy.

D. *Related Party Transactions.* “Related Party” means a member of the Covered Person’s family (including spouses (and their siblings), lineal ancestors and descendants, spouses of lineal descendants, siblings (and their spouses and children), and domestic partners) (each, a “Relative”), or any entity in which the Covered Person (or any Related Party) 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% and any lesser interest in an entity when the person exercises managerial control or responsibility regarding such entity. The Corporation shall not enter into any transaction or arrangement with a Related Party (a “Related Party Transaction”) unless such Related Party Transaction meets the requirements set forth in Section G below.

E. *Conflict of Interest Disclosure and Questionnaire*

1. All material facts related to potential conflicts of interest (including the nature of your interest and information about any proposed transaction or other arrangement) are required to be disclosed in good faith and in writing to the Board. Disclosures should be made in advance, before any action is taken on the matter. Conflict identification and analysis can

be difficult and, therefore, you are at all times expected to err on the side of caution and disclose all instances where a conflict of interest or the appearance of a conflict exists, even if you do not believe that there is an actual conflict.

2. Each current director, officer and Key Employee of the Corporation must submit to the Secretary of the Corporation at least once per year (and updated as appropriate) a questionnaire substantially in the form of the Appendix to this Policy. The Secretary of the Corporation shall provide copies of all completed statements to the Chairperson of the Board and the Governance Committee.
3. Each director shall also make annual filings required of directors under New York Public Authority's Law section 2825(3).

F. Evaluation of an Actual, Potential or Apparent Conflict of Interest. The Governance Committee, in the first instance, and the Board will evaluate conflict disclosures and make other necessary inquiries to determine the extent and nature of any actual or potential conflict of interest and, if appropriate, investigate alternatives to the proposed transaction or arrangement. After disclosure of the potentially conflicting interest and all material facts, and after answering any questions, the interested person shall recuse himself or herself from deliberations and voting relating to the matter.

G. Resolution of an Actual, Potential or Apparent Conflict of Interest. After the initial evaluation, the Board will review all conflicts of interest and determine whether to approve or ratify any such matters. The Board may only approve the underlying matter if it determines that such matter, under the terms and within the circumstances and conditions presented, is fair, reasonable, and in the best interests of the Corporation (in accordance with the considerations listed below). Persons with an interest in any matter under review by the Board are not permitted to be present at or participate in any deliberations or voting by the Board with respect to the matter giving rise to the potential conflict, and must not attempt to influence improperly the deliberation or voting on such matter. In appropriate circumstances, any such person may be called upon to provide information relevant to the determination prior to the commencement of deliberations or voting related thereto.

In making its determination, the Board will consider, without limitation, whether:

1. entering into the transaction or arrangement is in the best interests of the Corporation, while considering the Corporation's mission and resources, and the possibility of creating an appearance of impropriety that might impair the confidence in, or the reputation of, the Corporation (even if there is no actual conflict or wrongdoing);
2. the transaction or arrangement in its entirety, and each of its terms, are fair and reasonable to the Corporation;
3. after consideration of available alternatives, the Corporation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances;
4. the transaction or arrangement furthers the Corporation's mission and charitable purposes;
5. no director, officer or Key Employee receives compensation, directly or indirectly, as a

- result of the transaction or arrangement; and
6. the transaction or arrangement is not prohibited under any applicable laws and does not result in private inurement, an excess benefit transaction or impermissible private benefit under laws applicable to tax exempt Corporations.

The approval of any matter that is the subject of this Policy shall require the approval of at least a majority of the members of the Board present and voting at the meeting.

H. *Records of Conflict Disclosures and Proceedings.* The minutes of the Board or any committee meeting during which a potential or actual conflict of interest is disclosed or discussed shall reflect:

1. the name of the interested Covered Person and/or Related Party;
2. the nature of the conflict and details of the deliberations of the disinterested directors (such as documents reviewed, alternatives considered, comparative costs or bids, market value information prepared by an independent firm and other factors considered in deliberations);
3. the voting decision made by each disinterested director; and
4. the resolution of the conflict including any ongoing procedures to manage any conflict that was approved.

The interested person shall only be informed of the final decision and not of particular directors' positions. In addition, certain Related Party Transactions are required to be disclosed in the notes to the Corporation's audited financial statements and its annual federal tax filings.

I. *Compliance.* If the Board, the Governance Committee or Audit Committee, or the Chairperson has reasonable cause to believe that a Covered Person has failed to comply with this Policy, they may make such further investigation as may be warranted in the circumstances and, in addition to any penalty contained in any provision of law which may include fines and monetary penalties, if they determine that a Covered Person has in fact failed to comply with this Policy, they shall take appropriate action which may include removal from office or termination.

J. *Code of Ethics.*

1. No Covered Person should accept other employment which will impair his/her independence of judgment in the exercise of his/her official duties.
2. No Covered Person should accept employment or engage in any business or professional activity which will require him/her to disclose confidential information which he/she has gained by reason of his/her official position or authority.
3. No Covered Person should disclose confidential information acquired by him in the course of his/her official duties nor use such information to further his/her personal interests.
4. No Covered Person should use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others, including but not limited to, the misappropriation to himself, herself or to others of the property, services

or other resources of the Corporation for private business or other compensated non-governmental purposes.

5. No Covered Person should engage in any transaction as representative or agent of the Corporation with any business entity in which he/she has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his/her official duties.
6. A Covered Person should not by his/her conduct give reasonable basis for the impression that any person can improperly influence him/her or unduly enjoy his/her favor in the performance of his/her official duties, or that he/she is affected by the kinship, rank, position or influence of any party or person.
7. A Covered Person should abstain from making personal investments in enterprises which he/she has reason to believe may be directly involved in decisions to be made by him or which will otherwise create substantial conflict between his/her duty to the Corporation and his/her private interest.
8. A Covered Person should endeavor to pursue a course of conduct which will not raise suspicion among the public that he/she is likely to be engaged in acts that are in violation of his/her trust.
9. No Covered Person nor any firm or association of which such Covered Person is a member nor corporation a substantial portion of the stock of which is owned or controlled directly or indirectly by such Covered Person, should sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by the Corporation.

K. Amendment. This Policy may be amended by a majority of the Board, provided however that the Code of Ethics may only be amended to comply with laws.

DISCLOSURE STATEMENT FOR
DIRECTORS AND OFFICERS

Secretary:

I have read the Conflict of Interest Policy & Code of Ethics of the Corporation and have received a copy for my guidance.

Part I

I advise you that, to the best of my knowledge (a) I am not involved in any activity that would be considered to be in violation of the Policy, and (b) neither I nor any of my Relatives (as defined in the Policy) is an officer, director, trustee, member, owner (as defined in the Policy), or employee of any entity that would make me be “interested” in accordance with the Policy except as follows (if the answer is “None”, please indicate in the space provided):

Part II

The following is a list of entities in which I and/or any of my Relatives (as defined in the Policy) have, directly or indirectly, in the aggregate, at least a 35% ownership or beneficial interest, except for any interest in a partnership or professional corporation (if the answer is “None”, please indicate in the space provided; otherwise indicate who has such interest):

The following is a list of partnerships and professional corporations in which I and/or any of my Relatives (as defined in the Policy) have, directly or indirectly, in the aggregate, more than 5% ownership or beneficial interest (if answer is "None", please indicate in the space provided; otherwise indicate who has such interest):

Attach additional sheets as needed.

Date: _____

Name: (Please print or type)

Signature