

NIAGARA POWER COALITION, INC. CONFLICT OF INTEREST POLICY

Statement of Purpose.

This Conflict of Interest Policy (the “Policy”) is a public statement by the Niagara Power Coalition, Inc. (the “Corporation”) that sets clear expectations and principles to guide practice and inspire professional excellence. The Corporation believes a commonly held set of principles can assist in the individual exercise of professional judgment. This Policy speaks to the core values of public accountability and transparency. The purpose of having a Conflict of Interest Policy is to protect the credibility of the Corporation by ensuring high standards of honesty, integrity, and conduct of staff. To that end, this Policy attempts to accomplish this by articulating the ethical standards observed by the Corporation in pursuing and implementing its objectives, and setting rules and policies that prevent conflicts of interest.

Definition of Conflicts of Interest.

A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence Corporation policies or actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any member of the Board of Directors or his or her immediate family (spouse, parents, children, brothers or sisters, and spouses of these individuals); or (c) any organization in which he or she, or an immediate family member is a member, trustee, officer, member, partner or more than 10% shareholder. Service on the board of another not-for-profit agency does not constitute a conflict of interest.

Disclosure of Conflicts of Interest.

A member of the Board of Directors or executive officer shall disclose a conflict of interest: (a) prior to voting on or otherwise discharging his or her duties with respect to any matter involving the conflict which comes before the Board of Directors or any committee; (b) prior to entering into any contract or transaction involving the conflict; (c) as soon as possible after the member of the Board of Directors or officer learns of the conflict; and (d) on the annual conflict of interest disclosure form. The Secretary of the Corporation shall distribute annually to all members of the Board of Directors and executive officers, a form soliciting the disclosure of all conflicts of interest, including specific information concerning the terms of any contract or transaction with the Corporation and whether the process for approval set forth in this Policy was used.

Approval of Contracts and Transactions Involving Potential Conflicts of Interest.

A member of the Board of Directors or executive officer who has or learns about a potential conflict of interest should disclose promptly to the Secretary of the Corporation the material facts surrounding any actual or potential conflict of interest, including specific information concerning the terms of any contract or transaction with the Corporation. All effort

should be made to disclose any such contract or transaction and have it approved by the Board of Directors before the arrangement is entered into.

Following receipt of information concerning a contract or transaction involving a potential conflict of interest, the Board of Directors shall consider the material facts concerning the proposed contract or transaction including the process by which the decision was made to recommend entering into the arrangement on the terms proposed. The Board of Directors shall approve only those contracts or transactions in which the terms are fair and reasonable to the Corporation and the arrangements are consistent with the best interests of the Corporation. Fairness includes, but is not limited to, the concepts that the Corporation should pay no more than fair market value for any goods or services which the Corporation receives and that the Corporation should receive fair market value consideration for any goods or services that it furnishes others. The Board of Directors shall set forth the basis for its decision with respect to approval of contracts or transactions involving conflicts of interest in the minutes of the meeting at which the decision is made, including the basis for determining that the consideration to be paid is fair to the Corporation.

Validity of Actions.

No contract or other transaction between the Corporation and one or more of the members of the Board of Directors or executive officers, or between the Corporation and any other company, corporation, firm, association or other entity in which one or more of its members of the Board of Directors or executive officers are members of the Board of Directors or executive officers, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such member or members of the Board of Directors or executive officer or officers of the Corporation are present at the meeting of the Board of Directors, or of a committee thereof, which authorizes such contract or transaction, or that his or her, or their votes are counted for such purpose, if the material facts as to such member of the Board of Director's or executive officer's interest in such contract or transaction and as to any such common membership, officership or financial interest are disclosed in good faith or known to the Board of Directors or committee, and the Board of Directors or committee authorizes such contract or transaction by a vote sufficient for such purpose without counting the vote or votes of such interested member or members of the Board of Directors or executive officers. Common or interested members of the Board of Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or committee which authorizes such contract or transaction. At the time of the discussion and decision concerning the authorization of such contract or transaction, the interested member of the Board of Directors or executive officer should not be present at the meeting.

Employee Conflicts of Interest.

An employee of the Corporation with a potential conflict of interest in a particular matter shall promptly and fully disclose the potential conflict to his or her supervisor. The employee shall thereafter refrain from participating in deliberations and discussion, as well as any decisions, relating to the matter and follow the direction of the supervisor as to how the Corporation's decisions which are the subject of the conflict will be determined. The

Chairperson shall be responsible for determining the proper way for the Corporation to handle Corporation decisions which involve unresolved employee conflicts of interest. In making such determinations, the Chairperson may consult with legal counsel.

The Chairperson shall report to the Board of the Directors at least annually concerning employee conflicts of interest which have been disclosed and contracts and transactions involving employee conflicts which the Chairperson has approved.