

Pottstown Borough Land Bank

Ethical Guidelines and Conflict of Interests Policy and Procedures

1. **Intent.** The intent of this Pottstown Borough Land Bank Ethical Guidelines and Conflict of Interests Policy and Procedures (Ethics Policy) is to adopt strict ethical guidelines and to promulgate procedures for addressing and protecting against potential conflicts of interests for Land Bank directors, employees, consultants, and independent contractors. The Ethics Policy is intended to identify situations that present conflicts of interest and to provide procedures which, when observed, will allow the Land Bank to avoid any conflict between personal interests of those who are associated with the Land Bank and the interests of the Land Bank in dealing with any entity or individual that seeks to have any transactional relationship with the Land Bank.
2. **Supplemental Effect.** The Ethics Policy supplements both the State Adverse Interest Act (71 P.S. § 776.1 *et seq.*) and the Public Officials and Employees Ethics Act (65 Pa.C.S.A. § 1101 *et seq.*), as well as all other applicable federal, state, and local laws.
3. **General Definitions.** The following definitions are applicable within the Ethics Policy.
 - “Agent” shall mean any employee, independent contractor, or consultant of or for the Land Bank.
 - “Director” shall mean a member of the Land Bank Board of Directors, duly appointed by Borough Council.
 - “Family Member” shall mean a spouse, parent, child, brother, sister, or spouse of any child, brother, or sister.
 - “Representative” shall mean any Director or Agent.
 - “Transaction” shall mean any of the following: (1) any agreement or relationship involving the sale or purchase of any interests in real property, goods, services, or rights of any kind; (2) the providing or receipt of a grant or loan; (3) the securing of a financial commitment; or (4) the establishment of any other type of pecuniary relationship with the Land Bank. It shall not mean, however, a contract or transaction between the Borough of Pottstown and the Land Bank.
4. **Conflict of Interest.** The following circumstances are deemed to create a conflict of interest:
 - 4.1 A transaction between the Land Bank and any Representative or any Representative’s Family Member.
 - 4.2 A transaction between the Land Bank and any entity in which a Representative has a financial interest or from which the Representative is compensated or serves as an uncompensated director, officer, agent, partner, associate, trustee, personal representative, receiver, employee, guardian, custodian, conservator, or other legal representative.
 - 4.3 The receipt by a Representative of any gifts, entertainment, or other favors from any individual or entity that (1) does or is seeking to do business with the Land Bank, or

(2) under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Representative in the performance of his or her duties. This does not preclude, however, the acceptance of items of nominal or insignificant value or entertainment of a nominal or insignificant value which are not related to any particular transaction or activity of the Land Bank.

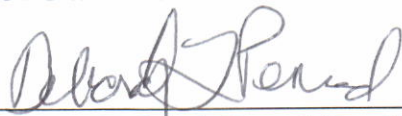
- 4.4 Directly or indirectly making, advising, or assisting any person or entity to make any financial investment based upon information available solely through the Representatives' official position with the Land Bank.
- 4.5 Using his or her official position with the Land Bank to secure unwarranted privileges either for the Representative or any Family Member thereof.
5. Dual Roles. Directors who simultaneously serve as a member of another municipal body are recognized to be serving in multiple public capacities. They may ethically vote on behalf of both the Land Bank and the other body on any matter that is subject to the this Policy.
6. Policy. Representatives shall perform their duties with transparency and without favor, and shall refrain from engaging in matters of financial or personal interest that create any conflict of interest as defined within Section 4, "Conflict of Interest." Any Representatives effected by a Conflict of Interest shall refrain from exerting his or her personal influence with the respect to the relevant matter.
7. Implementation. The Ethics Policy shall be provided to all Representatives upon commencement of any employment or appointment, and shall be reviewed every (2) years by the Board of Directors.
8. Procedure.
 - 8.1 A Director who believes that he or she has a Conflict of Interest shall, in writing, disclose the conflict to the Board of Directors in writing either before or at a meeting of the Board as soon as practical after the Conflict of Interest is discovered, but no later than prior to the Board of Director's review of the relevant transaction. The writing shall identify the relevant matter on which the Land Bank is acting; describe the circumstances giving rise to the potential or actual Conflict of Interest; and include a statement that the Director disqualifies himself or herself from official action related to the transaction, including preliminary discussions related to the transaction as well as final votes and decision-making, pending approval by the Board of Directors. The Board of Directors shall then publicly disclose and review the written statement at its next meeting and vote as to whether the circumstances warrant disqualification pursuant to this Ethics Policy.
 - 8.2 An Agent who believes he or she has a Conflict of Interest shall disclose the conflict to the Board of Directors in writing either before or at a meeting of the Board as soon as practical after the Conflict of Interest is discovered, but no later than prior to the Board of Director's review of the relevant transaction. The writing shall identify the relevant matter on which the Land Bank is acting; describe the circumstances giving rise to the potential or actual Conflict of Interest; and include a statement that the Agent shall refrain from any action that may affect the Land Bank's participation in the relevant transaction. The Board of Directors shall then publicly disclose and

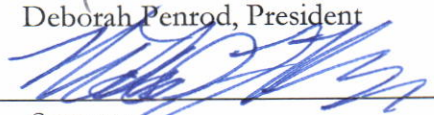
review the written statement at its next meeting and vote as to whether the circumstances warrant disqualification pursuant to this Ethics Policy.

- 8.3 To the extent permitted by law, and with appropriate disclosure, a Director may abstain from voting or disqualify himself or herself from action in a situation that has been disclosed to the Board of Directors but it has been determined that there is the appearance of a conflict of interest rather than an actual conflict of interest.
9. Penalties. In addition to any penalty provided by law, Representations who knowingly and intentionally violate any provisions of this Ethics Policy may be removed in the manner provided by the Land Bank's By-Laws, or terminated for cause.
10. Duties.
- 10.1 Representatives have a continuing duty to review and assess his or her Conflicts of Interest and cooperate with the Board of Directors on the operation and enforcement of this Ethics Policy.
- 10.2 Representatives are encouraged to seek the advice of the President of the Board of Directors, executive director, or Solicitor when he or she has any questions regarding his or her obligations or those of other Representatives pursuant to this policy.
- 10.3 Each Representative shall annually in writing affirm his or her commitment to the Ethics Policy.
- 10.4 Any person who believes that a Conflict of Interest exists related to any Representative and a transaction shall report his or her concerns to the President of the Board of Directors, executive director, or Solicitor for further investigation.
11. Prohibition. Representatives and their Family Members are prohibited from transacting with the Land Bank for six (6) months following the conclusion of Representative's service or work with the Land Bank.
12. Validity of Actions. No transaction shall be void or voidable solely because a Director with a Conflict of Interest is present at the meeting at which the Board of Directors authorizes the transaction if the material facts as to the Conflict of Interests are disclosed to the Board of Directors prior to authorizing the transaction. Conflicted Directors shall be counted in the calculation of a quorum.

ADOPTED this 25th day of MARCH, 2019.

POTTSTOWN BOROUGH LAND BANK

BY: 
Deborah Penrod, President

ATTEST: 
Secretary