



UNIVERSIDAD CENTRAL DEL CARIBE, INC.
CONFLICT OF INTEREST POLICY

(English Version)

Approved by Board of Directors

Date: _____



CONFLICT OF INTEREST POLICY

SECTION 1. PERSONS CONCERNED

Universidad Central del Caribe is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of Universidad Central del Caribe as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public.

Consequently, there exists between Universidad Central del Caribe and its Board, Directors, Officers, and management employees and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The Board, Directors, Officers, and management employees have the responsibility of administering the affairs of Universidad Central del Caribe honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of Universidad Central del Caribe. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with Universidad Central del Caribe or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

This statement is directed not only to Boards, Directors and Officers, but to all employees who can influence the actions of Universidad Central del Caribe. For example, this would include all who make purchasing decisions, all persons who might be described as "management personnel," and anyone who has proprietary information concerning Universidad Central del Caribe.

SECTION 2. AREAS IN WHICH CONFLICT MAY ARISE:

Conflicts of interest may arise in the relations of Board, Directors, Officers, and management employees with any of the following third parties:

1. Persons and firms supplying goods and services to Universidad Central del Caribe.
2. Persons and firms from whom Universidad Central del Caribe leases property and equipment.
3. Persons and firms with whom Universidad Central del Caribe is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.

5. Donors and others supporting Universidad Central del Caribe.
6. Agencies, organizations, and associations which affect the operations of Universidad Central del Caribe.
7. Family members, friends, and other employees.
8. Those who work in or render services as Board, Director, Officer, employee, or consultant of other post-secondary school educational institutions without prior written consent of the President of the Universidad Central del Caribe.

SECTION 3. NATURE OF CONFLICTING INTEREST:

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with Universidad Central del Caribe.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with Universidad Central del Caribe.
3. Receiving remuneration for services with respect to individual transactions involving Universidad Central del Caribe.
4. Using Universidad Central del Caribe's time, personnel, equipment, supplies, or good will for other than UCC-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with Universidad Central del Caribe. Receipt of any gift is disapproved except gifts of a value less than \$50, which could not be refused without discourtesy. No personal gift of money should ever be accepted.

SECTION 4. INTERPRETATION OF THIS STATEMENT OF POLICY:

The areas of conflicting interest listed in Section 2, and the relations in those areas which may give rise to conflict, as listed in Section 3, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the Board, Directors, Officers, and management employees will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 3 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of Universidad Central del Caribe.

However, it is the policy of the Universidad Central del Caribe that the existence of any of the interests described in Section 3 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the President, Directors, Officers, and management employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

SECTION 5. DISCLOSURE POLICY AND PROCEDURE:

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and
4. The President has determined that the transaction is in the best interest of the organization.

Disclosure in the organization should be made to the President, if he is the one with the conflict, then to the board chairperson, who shall bring the matter to the attention of the board.

The President or a duly constituted committee thereof shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to Universidad Central del Caribe. The decision of the President or a duly constituted committee thereof on this matter will rest in their sole discretion, and their concern must be the welfare of Universidad Central del Caribe and the advancement of its purpose.

UNIVERSIDAD CENTRAL DEL CARIBE

CONFLICT OF INTEREST DISCLOSURE STATEMENT

Preliminary note: In order to be more comprehensive, this statement of disclosure/questionnaire also requires you to provide information with respect to certain parties that are related to you. These persons are termed “affiliated persons” and include the following:

- a. your spouse, domestic partner, child, mother, father, brother or sister;
- b. any corporation or organization of which you are a board member, and officer, a partner, participate in management or are employed by, or are, directly or indirectly, a debt holder or the beneficial owner of any class of equity of equity securities; and
- c. any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar capacity.

1. Name of employee or board member: (Please print)

2. Capacity: board of directors
 executive committee
 officer
 committee member
 staff (position): _____

3. Have you or any of your affiliated persons provided services or property to Universidad Central del Caribe in the past year?

YES NO

If yes, please describe the nature or the services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

4. Have you or any of you affiliated persons purchased services or property from Universidad Central del Caribe in the past year?

YES NO

If yes, please describe the purchased services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

If yes, please describe proceeding(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

9. Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by Universidad Central del Caribe's (board or a duly constituted committee thereof) in accordance with the terms and intent of Universidad Central del Caribe's conflict of interest policy?

____ YES

____ NO

If yes, please describe the situation(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

I HERBY CONFIRM that I have read and understand Universidad Central del Caribe's conflict of interest policy and that my responses to the above questions are complete and correct to the best of my knowledge and information. I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will notify (designated officer or director) immediately.

Signature

Date

UNIVERSIDAD CENTRAL DEL CARIBE

GIFT POLICY AND DISCLOSURE FORM

As part of its conflict of interest policy, Universidad Central del Caribe requires that Board, Directors, Officers and employees decline to accept certain gifts, consideration or remuneration from individuals or companies that seek to do business with Universidad Central del Caribe or are a competitor of it. This policy and disclosure form is intended to implement that prohibition on gifts.

Section 1. “Responsible Person” is any person serving as an officer, employee or a member of the board of directors of Universidad Central del Caribe.

“Family Member” is a spouse, domestic partner, parent, child or spouse of a child, or a brother, sister, or spouse of a brother or sister, of a Responsible Person.

Section 2. “Contract or Transaction” is any agreement or relationship involving the sale or purchase of goods, services or rights of any kind, receipt of a loan or grant, or the establishment or any other pecuniary relationship. The making of a gift to Universidad Central del Caribe is not a “contract” or “transaction”.

Section 3. Prohibited gifts, gratuities and entertainment. Except as approved by the Chairman of the Board or his designee or for gifts of a value less than \$50 which could not be refused without discourtesy, no Responsible Person or Family Member shall accept gifts, entertainment or other favors from any person or entity which:

1. Does or seeks to do business with Universidad Central del Caribe or,
2. Does or seeks to compete with Universidad Central del Caribe or,
3. Has received, is receiving, or is seeking to receive a Contract or Transaction with Universidad Central del Caribe.

GIFTS STATEMENT

I certify that I have read the above policy concerning gifts, and I agree that I will not accept gifts, entertainment or other favors from any individual or entity, which would be prohibited by the above policy. Following my initial statement, I agree to provide a signed statement at the end of each calendar year certifying that I have not received any such gifts, entertainment or other favors during the preceding year. The University can apply disciplinary actions if the policy is not accomplished.

Signature

Date