

## Broome Tobacco Asset Securitization Corporation

### Policy-Conflict of Interest

1. All Board Members and employees of the Broome Tobacco Asset Securitization Corporation (“the Corporation”) will be provided with this Conflict of Interest Policy upon commencement of employment or appointment and required to acknowledge that they have read, understood and are in compliance with the terms of the policy.
2. Board Members and employees shall review on an ongoing basis circumstances that constitute a conflict of interest or the appearance of a conflict of interest, abide by this policy and seek guidance when necessary and appropriate.
3. This policy is intended to supplement, but not replace any applicable state and federal laws governing conflicts of interest applicable to public authorities.
4. A conflict of interest is a situation in which the financial, familial, or personal interests of a director or employee come into actual or perceived conflict with their duties and responsibilities with the Corporation. Perceived conflicts of interest are situations where there is the appearance that a board member and/or employee can personally benefit from actions or decisions made in their official capacity, or where a board member or employee may be influenced to act in a manner that does not represent the best interest of the Corporation. The perception of a conflict may occur if circumstances would suggest to a reasonable person that a board member may have a conflict. The appearance of a conflict and an actual conflict should be treated in the same manner for the purposes of this policy.
5. Board members and employees must conduct themselves at all times in a manner that avoids any appearances that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust. While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest typically arises whenever a director or employee has or will have:
  - a. A financial or personal interest in any person, firm, other corporation or association which has or will have a transaction, agreement or any other arrangement in which the Corporation participates.

- b. The ability to use his or her position, confidential information or the assets of the Corporation, to his or her personal advantage.
  - c. Solicited or accepted a gift of any amount under circumstances in which it could reasonable be inferred that the gift was intended to influence him/her, or could reasonably be expected to influence him/her, in the performance of his/her official duties or was intended as a reward for any action on his/her part.
  - d. Any other circumstances that may appear to make it difficult for the board member or employee to exercise independent judgment and properly exercise his or her official duties.
6. No employee may engage in outside employment if such employment interferes with his or her ability to properly exercise his or her official duties with the Corporation.
7. All material facts related to the conflicts of interest (including the nature of the interest and information about the conflicting transaction) shall be disclosed in good faith and in writing to the Board. Such written disclosure shall be made part of the official record of the proceedings of the Corporation.
8. The Board will advise the individual who appears to have a conflict of interest how to proceed. The Board should seek guidance from counsel or New York State agencies, such as the Authorities Budget Office, State Inspector General or the Joint Commission on Public Ethics (JCOPE) when dealing with cases where they are unsure of what to do.
9. No board member or employee may participate in any decision or take any official action with respect to any matter requiring the exercise of discretion, including discussing the matter and voting, when he or she knows or has reason to know that the action could confer a direct or indirect financial or material benefit on himself or herself, a relative, or any organization in which he or she is deemed to have an interest. Board members and employees must recuse themselves from deliberations, votes, or internal discussion on matters relating to any organization, entity or individual where their impartiality in the deliberation or vote might be reasonably questioned, and are prohibited from attempting to influence other board members or employees in the deliberation and voting on the matter.

10. The minutes of the Corporation's meetings during which a perceived or actual conflict of interest is disclosed or discussed shall reflect the name of the interested person, the nature of the conflict, and a description of how the conflict was resolved.
11. Board members and employees should promptly report any violations of this policy to the board in accordance with the corporation's Whistleblower Policy and Procedures
12. Any director or employee that fails to comply with this policy may be penalized in the manner provided for in law, rules or regulations.

Signing below is affirmation that I have read, understand and am in compliance with the terms of this policy.

\_\_\_\_\_  
Name-Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name-Printed

Title \_\_\_\_\_