

## Code of Ethics

Every board member, officer, and employee (“Individuals”) of the Town of Babylon L.D. Corporation II (“Corporation”) shall avoid any conflict between his/her personal, professional or business interests and the interests of the Corporation in all actions taken by or on behalf of the Corporation. To implement this principle and to establish clear guidelines, the following policy has been adopted by the Corporation's Board of Directors.

### **Conflict of Interest**

All Individuals must certify that they have (1) not accepted other employment which will impair my independence of judgment in the exercise of my official duties; (2) not accepted employment or engaged in any business or professional activity which will require me to disclose confidential information which I have gained by reason of my being a member of the Board of Directors of the Corporation; (3) not disclosed confidential information acquired in the course of my official duties nor used such information to further my own personal interests; (4) used or attempted to use my position with the Corporation to secure unwarranted privileges or exemptions for myself or others; (5) engaged in any transaction as a representative or agent of the Corporation with any business entity in which I have a direct or indirect financial interest that might reasonably tend to conflict with proper discharge of my official duties; (6) not given reasonable basis for the impression that any person can improperly influence me or unduly enjoy my favor in the performance of my duties, or that I am affected by the kinship, rank, position or influence of any party or person; (7) abstained from making personal investments in enterprises which I have reason to believe may be directly involved with my responsibilities or which will otherwise create substantial conflict between my duty in the public interest and my private interests; and (8) endeavored to pursue a course of conduct which will not raise suspicion among the public that I am likely to be engaged in acts that are in violation of my Corporation responsibilities.

### **Disciplinary Actions for Non-Compliance**

Employees, board members, and contractors of the Corporation are expected to adhere strictly to this Conflict of Interest Policy. Failure to comply with this policy may result in disciplinary actions, which may include, but are not limited to:

1. Verbal or Written Warning: A formal warning may be issued for minor or first-time violations. This serves as a notice to the individual to correct their behavior and avoid future non-compliance.
2. Probation: The individual may be placed on probation, during which their activities and decisions will be closely monitored to ensure adherence to the policy.
3. Suspension: Temporary suspension from duties or projects may be enforced, particularly if the conflict of interest has compromised the integrity or operations of the Corporation.

4. Financial Penalties: Any financial gains obtained as a result of the conflict of interest may be subject to repayment, and additional financial penalties may be imposed.

5. Demotion: In cases where the conflict of interest has significantly impacted the individual's ability to perform their role objectively and effectively, demotion to a lower position may be considered.

6. Termination of Employment or Contract: For severe or repeated violations, termination of employment or contractual agreements may be necessary to protect the interests and integrity of the Corporation.

7. Legal Action: In instances where the conflict of interest results in legal ramifications or breaches of fiduciary duties, the Corporation reserves the right to pursue legal action against the individual(s) involved.

Each case of non-compliance will be evaluated on its own merits, taking into account the severity of the conflict, the individual's history with the organization, and the potential impact on [Company/Organization Name]. All disciplinary actions will be documented, and the individual will be informed of the reasons for the action and their right to respond.

By adhering to this policy, we ensure the trust and integrity of our operations, fostering a transparent and accountable environment for all stakeholders.

## **Fiduciary Duties**

All Individuals must acknowledge their fiduciary duties which are but not limited to understanding the following

### **I. Mission Statement**

I have read and understand the mission of the Corporation; and the mission is designed to achieve a public purpose on behalf of the State of New York. I further understand that my fiduciary duty to this Corporation is derived from and governed by its mission.

I agree that I have an obligation to become knowledgeable about the mission, purpose, functions, responsibilities, and statutory duties of the Corporation and, when I believe it necessary, to make reasonable inquiry of management and others with knowledge and expertise so as to inform my decisions.

### **II. Deliberation**

I understand that my obligation is to act in the best interests of the Corporation and the people of the State of New York whom the Corporation serves.

I agree that I will exercise independent judgment on all matters before the Board of Directors.

I understand that any interested party may comment on any matter or proposed resolution

that comes before the Board of Directors consistent with the laws governing procurement policy and practice, be it the general public, an affected party, a party potentially impacted by such matter or an elected or appointed public official. However, I understand that the ultimate decision is mine and will be consistent with the mission of the Corporation and my fiduciary duties as a member of the Corporation's Board of Directors.

I will participate in training sessions, attend Board and committee meetings, and engage fully in the Board's and committee's decision-making process.

### III. Confidentiality

I agree that I will not divulge confidential discussions and confidential matters that come before the Board of Directors for consideration or action.

### IV. Conflict of Interest

I agree to disclose to the Board any conflicts, or the appearance of a conflict, of a personal, financial, ethical, or professional nature that could inhibit me from performing my duties in good faith and with due diligence and care.

I do not have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of my duties in the public interest.

### **Financial Disclosure**

Individuals must disclose 1) if they directly or indirectly, own five percent (5%) or more of stock or other equity interest in a company 2) if they are an officer or employee of a company 3) if they are a member of another board of directors by certifying such information before a notary public.