

CONFLICT OF INTEREST POLICY

GraduateSmart Inc. — Adopted June 6, 2026

This Conflict of Interest Policy is adopted pursuant to the IRS Form 1023 Appendix A model and Section 715-a of the New York Not-for-Profit Corporation Law (“NPCL”). It is intended to protect the interest of GraduateSmart Inc. (the “Corporation”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or key employee of the Corporation, or might result in a possible excess benefit transaction. This policy is intended to supplement, not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

ARTICLE I — PURPOSE

The purpose of this Conflict of Interest Policy is to protect the Corporation’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation, or might result in a possible excess benefit transaction within the meaning of Section 4958 of the Internal Revenue Code.

ARTICLE II — DEFINITIONS

Section 2.1 Interested Person. Any director, principal officer, member of a committee with governing board–delegated powers, or key employee who has a direct or indirect Financial Interest, as defined below, is an “Interested Person.”

Section 2.2 Financial Interest. A person has a Financial Interest if the person has, directly or indirectly, through business, investment, or family: (a) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement; (b) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement. A Financial Interest is not necessarily a Conflict of Interest.

Section 2.3 Related Party. A “Related Party” shall have the meaning set forth in NPCL §102(a)(24), including: (i) any director, officer, or key employee of the Corporation or any affiliate of the Corporation; (ii) any relative of a director, officer, or key employee; and (iii) any entity in which any individual described in (i) or (ii) has a 35% or greater ownership or beneficial interest.

ARTICLE III — PROCEDURES

Section 3.1 Duty to Disclose. In connection with any actual or possible Conflict of Interest, an Interested Person must disclose the existence of the Financial Interest and all material facts to the directors and members of committees with governing-board–delegated powers considering the proposed transaction or arrangement.

Section 3.2 Determining Whether a Conflict of Interest Exists. After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall

leave the Board or committee meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Board or committee members shall decide if a Conflict of Interest exists.

Section 3.3 Procedures for Addressing the Conflict of Interest. An Interested Person may make a presentation at the Board or committee meeting, but after the presentation, the Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible Conflict of Interest. The Chair of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives. After exercising due diligence, the Board or committee shall determine whether the Corporation can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict of Interest. If a more advantageous transaction or arrangement is not reasonably possible, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction is in the Corporation's best interest and is fair and reasonable.

Section 3.4 Violations of the Conflict of Interest Policy. If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain. If, after hearing the member's response, the Board or committee determines the member has failed to disclose an actual or possible Conflict of Interest, it shall take appropriate disciplinary and corrective action.

ARTICLE IV — RECORDS OF PROCEEDINGS

The minutes of the Board and all committees with Board-delegated powers shall contain: (a) the names of the persons who disclosed or otherwise were found to have a Financial Interest, the nature of the Financial Interest, any action taken to determine whether a Conflict of Interest was present, and the Board's or committee's decision; and (b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives, and a record of any votes taken.

ARTICLE V — COMPENSATION

- (a) A voting member of the Board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
- (b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
- (c) No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

In accordance with Treas. Reg. §53.4958-6, the Corporation shall apply the rebuttable presumption of reasonableness procedures when approving compensation of any "disqualified person".

ARTICLE VI — ANNUAL STATEMENTS

Each director, principal officer, and member of a committee with Board-delegated powers shall annually sign a statement which affirms such person has received, read, and understands this Conflict of Interest Policy; has agreed to comply with the Policy; and understands that the Corporation is a charitable organization that must engage primarily in activities accomplishing its tax-exempt purposes.

ARTICLE VII — PERIODIC REVIEWS

Periodic reviews shall be conducted to ensure the Corporation operates consistent with its charitable purposes, including review of compensation arrangements and partnerships/joint ventures with management organizations.

ARTICLE VIII — USE OF OUTSIDE EXPERTS

When conducting periodic reviews, the Corporation may use outside advisors. Use of outside experts shall not relieve the Board of its responsibility.

ARTICLE IX — NEW YORK NPCL §715-a COMPLIANCE

Section 9.1 Statutory Compliance. The Corporation complies with NPCL §715-a, which requires charitable nonprofit corporations to adopt a conflict-of-interest policy with specified minimum elements covered by the procedures above, including procedures for disclosing, addressing, and documenting Related-Party Transactions under NPCL §715.

ARTICLE X — SCHOLARSHIP PROGRAM RESTRICTIONS

Section 10.1 Eligibility Restrictions. No director, officer, key employee, or substantial contributor of the Corporation, nor any “relative” of any of the foregoing (including spouse, ancestor, descendant, sibling, or in-law within the meaning of IRC §4958), shall be eligible to receive a scholarship, fellowship, grant, or other educational financial assistance from the Corporation. This restriction applies regardless of the merit of the individual’s application and is intended to prevent any inurement, private benefit, or excess benefit transaction under IRC §§501(c)(3) and 4958.

Section 10.2 Scholarship Committee Conflicts. Each member of the Scholarship Committee referenced in Activity 6 of the Form 1023 Part IV Narrative shall, before reviewing applications in any given cycle, disclose in writing any personal, family, business, or financial relationship with any applicant. Any Committee member with such a relationship shall recuse from the evaluation, scoring, deliberation, and voting on the relevant applicant. Recusals shall be documented in the Committee’s minutes and recorded in the Corporation’s books.

Section 10.3 Objective Selection Criteria. All scholarship award decisions shall be made on the basis of objective and nondiscriminatory selection criteria that are (i) published in the application materials, (ii) applied consistently to all applicants in a given cycle, and (iii) reasonably related to the Corporation’s charitable and educational purpose. The Scholarship Committee shall not exercise discretion outside these criteria.

Section 10.4 Direct Payment to Educational Institutions. All scholarship awards shall be paid by the Corporation directly to the bursar (or equivalent office) of the educational institution where the recipient

is enrolled. Awards shall not be paid to recipients personally. The Corporation shall obtain written confirmation from each receiving institution that the funds were received and credited to the recipient's account.

Section 10.5 Recordkeeping. Permanent records of scholarship selection criteria, applicant pools, Committee deliberations, scoring rubrics, award decisions, recipient acceptances, recusals, and institutional payment confirmations shall be maintained in accordance with the Corporation's Document Retention Policy and shall be available for inspection by the Board, the Attorney General of the State of New York, and the Internal Revenue Service.

Section 10.6 Annual Reporting. All scholarship awards made by the Corporation in any fiscal year shall be reported on Schedule I (Grants and Other Assistance to Organizations, Governments, and Individuals in the United States), Part III, of the Corporation's Form 990 or Form 990-EZ for that year, identifying the number of recipients, the total amount granted, and the type of assistance.

ANNUAL CONFLICT OF INTEREST DISCLOSURE STATEMENT

(To be signed annually by each director, officer, and key employee of GraduateSmart Inc.)

I have received, read, and understood the Conflict of Interest Policy of GraduateSmart Inc., including the Scholarship Program Restrictions in Article X, and I agree to comply with its terms. I disclose below any Financial Interests, Related-Party relationships, or other matters that may constitute, or potentially give rise to, a Conflict of Interest:

If none, check here: ☐

Signature

Printed Name and Title

Date

Note: This template incorporates the IRS Form 1023 Appendix A model conflict-of-interest policy, the requirements of NY NPCL §715-a, and scholarship-program-specific protections required for the Corporation's Direct Scholarship Awards program (Activity 6 in the Form 1023 narrative).