

DIEGO PLUS EDUCATION COPORATION

CONFLICT OF INTEREST POLICY

Purpose

All board members, officers and other employees are expected to conduct their activities in such a way as to avoid any appearance of, or actual, loss or embarrassment to the Corporation that might arise from improper influence on the Corporation's business decisions. The purpose of this policy is to protect the interests of the Corporation, and provide guidelines for handling perceived, potential, or actual conflicts of interest.

Covered Persons

This policy applies to all board members, officers and other employees of the Corporation (the "Corporation's Personnel").

For the purposes of this policy, "Family" or "Family Member" is defined as any family member (spouse, parent, sibling, child, stepchild, grandparent, grandchild, great-grandchild, in-law, or domestic partner).

Covered Transactions

This policy covers any transactions that constitute a Conflict of Interest or a Duality of Interest, both of which are described below. Prior to taking any action that may constitute a possible conflict of interest or duality of interest, please discuss it with the Chief Executive Officer or the Chief Financial Officer; they are authorized to provide reliable interpretations of this policy.

Actions That Are Considered a Conflict of Interest

In general terms, a conflict of interest may occur if an outside interest or activity: (a) influences, appears to influence, or has the potential to influence the ability of the Corporation's Personnel to exercise objectivity; or (b) impairs the ability of the Corporation's personnel to perform their responsibilities in the best interests of the Corporation.

A board member, officer or other employee is considered to have a potential conflict of interest when:

- His/her/their family member has a financial interest (*examples may include employment by, a consultant to, a representative or agent for, a partner of, holding any office in, or deriving any income from, any entity doing or seeking to do business with the Corporation*) conflicting with the interests of the Corporation in any manner;
- He/She/they participates in managerial or consultation services to any outside interest that does business with the Corporation, except with the Corporation's prior knowledge and consent;

- He/she/they receives compensation, gifts, favors, entertainment, or other similar benefits from any outside interest, which does, or seeks to do, business with the Corporation, of more than a nominal value (\$100 per incident, \$200 accumulated annually by the same vendor, grantee, or consultant).
- He/she/they participates in deliberations or actions of the Corporation resulting in the purchase of goods or services from any organization in which he/she/they or his/her/their family member has a financial interest.

Duality of Interest

In general terms, a duality of interest may occur when Corporate Personnel or his/her/their family member has a material interest — whether financial or otherwise — outside the Corporation that could influence or could be perceived as influencing the Corporation's Personnel to act contrary to, or to compromise objectivity to, the interests of the Corporation or for personal benefit or that of a family member or a business associate.

Board Service

The Corporation's Personnel are permitted to serve, with or without compensation, on for-profit boards and not-for-profit boards but must seek advance approval from the Chief Executive Officer of the Corporation prior to accepting any appointment of board service or prior to participating in community, charitable, and business activities that may or are likely to lead to a conflict of interest or a duality of interest and are expected to be alert to possible conflicts and dualities of interest and bring them to the attention of his/her/their supervisor. If, in the sole discretion of the Chief Executive Officer of the Corporation, the conflict would compromise the Corporation's interests, he/she/they will be asked to resign from the board.

Disclosure

In connection with any perceived, actual, or potential conflict of interest or duality of interest, the Corporation's Personnel must disclose the existence of his/her/their financial interest or affiliation and all material facts to the Chief Executive Officer of the Corporation as soon as a new affiliation begins and shall provide additional information as requested. All information so disclosed will be treated on a confidential basis, except to the extent necessary for the protection of the interests of the Corporation.

Violations of the Policy

Violation of this policy, or incorrect or incomplete disclosures, will be treated as serious misconduct. Please notify the Chief Executive Officer or Chief Financial officer should you have a question or wish to report a perceived or actual conflict of interest or duality of interest.