

**THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK**  
**CODE OF ETHICS FOR DIRECTORS AND OFFICERS**  
**Adopted July 26, 2006**

**I. INTRODUCTION AND PURPOSE**

The Board of Trustees (the “Board”) of The Trust for Cultural Resources of The City of New York (the “Trust”) has adopted this code of ethics (this “Code”) with respect to its trustees, officers and the designees of *ex officio* trustees (collectively, the “Trustees”). This Code is intended to promote honest and ethical conduct, including the proper handling of actual or apparent conflicts of interest between personal and professional relationships. This Code (i) provides examples of situations involving conflicts of interest; (ii) establishes disclosure procedures; and (iii) outlines corrective action for violations. It is vitally important to the public trust that both the fact and the appearance of conflicting interests and improper corporate conduct be avoided. Each Trustee will be expected to read and understand this Code and to review it periodically in order to be alert to situations that could create a conflict of interest or otherwise be contrary to the established policies of the Trust. For the purposes of this Code, immediate family member means a spouse, domestic partner, unemancipated child, or parent or sibling residing in the same household.

**II. GUIDELINES**

**A. Relationships with Cultural Institutions.** Because the primary beneficiaries of all of the Trust’s operations are cultural institutions, which are required to be exempt from federal income tax and eligible to receive charitable contributions, conflicts based on self-dealing are unlikely. However, because many Trustees and their family members have relationships as donors, trustees or employees with cultural institutions, it is appropriate to consider the individual circumstances of those relationships in determining whether a Trustee should recuse himself or herself from consideration of matters that benefit a particular cultural institution.

The enabling legislation of the Trust, in Section 20.09(3) of the Arts and Cultural Affairs Law, explicitly addresses the relationship between Trustees and participating cultural institutions: “No more than one person serving on the board of trustees, or equivalent body, of each participating cultural institution with which the trust has entered into a financing agreement shall serve concurrently on the board of trustees of a trust. Any trustee of a trust who is concurrently serving on the board of trustees, or equivalent body, of a participating cultural institution shall refrain from participating in discussions or voting on matters pertaining to such participating cultural institution.” Accordingly, although a strong argument can be made that the service of the New York City Commissioner of Cultural Affairs as an *ex officio* member of the board of trustees of many cultural institutions is not the type of service intended under Section 20.09(3) to require recusal, the practice of the Commissioner, as an *ex officio* member of the Trust’s board, has been to recuse herself when the language of the statute so requires.

**B. Relationships with Other Participants in Trust Activities.** A Trustee may not be employed by an underwriter, financial adviser, credit enhancement provider, law firm, independent public accountant, or other entity that provides services in connection with the

activities of the Trust. A Trustee who wishes to accept such employment must resign and may not do business with the Trust for twelve months after such resignation.

If an immediate family member of a Trustee is employed by or is a member, director, owner or officer of an entity from which the Trust purchases services or supplies or which provides services in connection with a financing or a combined use facility in which the Trust is involved, such Trustee shall disclose the nature and extent of relationship to the Trust and refrain from participating in discussions or voting on matters relating to such financing or such combined use facility. If a close relative or other close connection who is not an immediate family member of a Trustee is employed by or is a member, director, owner or officer of an entity from which the Trust purchases services or supplies or which provides services in connection with a financing or a combined use facility in which the Trust is involved, such Trustee shall disclose the nature and extent of relationship to the Trust, but such Trustee shall not be required to refrain from participating in discussions or voting on matters relating to such financing or such combined use facility unless such counsel and such Trustee agree that the circumstances warrant recusal.

**C. Confidential Information.** Confidential information acquired by a Trustee in the course of his or her duties must be held in confidence and may not be used as a basis for personal gain by the Trustee, his or her immediate family or others.

A Trustee must refrain from transmitting any information about the Trust or its deliberations or decisions or any other information obtained by the Trustee from the Trust that might be reasonably anticipated to be prejudicial to the interest of the Trust to any person other than in connection with the discharge of the Trustee's responsibilities, except to the extent that the information is publicly available.

A Trustee must not accept employment or engage in any business or professional activity that will require him or her to disclose confidential information gained through the activities of the Trust.

**D. Gratuities/Conduct.** A Trustee must not be placed under actual or apparent obligation to anyone by accepting, or permitting his or her immediate family to accept, gifts or other favors where it might reasonably appear that such gifts or other favors were given for the purpose of improperly influencing the Trustee in the performance of his or her duties as a Trustee of the Trust. In addition, a Trustee must never use his or her official position to secure unwarranted privileges or exemptions; nor may a Trustee, by his or her conduct, give any reasonable basis for the impression that any person can improperly influence him or her or unduly enjoy his or her favor in the performance of his or her official duties or that he or she is affected by the kinship, rank, position or influence of any party or person. Instead, in all instances a Trustee should endeavor to pursue a course of conduct that will not raise suspicion that he or she is likely to be engaged in acts that are in violation of his or her trust.

### **III. DISCLOSURE PROCEDURE**

If at any time a Trustee is in doubt as to the proper application of this Code, the Trustee should immediately make all the facts known to the counsel to the Trust and be guided by the instructions he or she receives. Except as otherwise directed by those instructions, the Trustee should refrain from exercising responsibility with regard to the Trust in any matter that might reasonably be thought to be affected by his or her interest.

### **IV. VIOLATIONS**

If a Trustee violates any of the provisions of this Code, such Trustee shall be subject to an appropriate remedy under the circumstances. In addition to any penalty contained in any provision of law, the Trustee may be subject, at the Board's discretion, to removal for cause.

### **V. TRUSTEES WHO ARE EMPLOYEES OF THE CITY OF NEW YORK**

Notwithstanding anything contained in this Code, if a Trustee is also an employee of The City of New York, that officer shall be subject to the restrictions set forth in Chapter 68 of the City Charter and not subject to this Code.