

CONFLICT OF INTEREST POLICY SUMMARY

of

THE DISCOVERY MUSEUM, INC.

The board of directors of The Discovery Museum, Inc. (the "Corporation") has adopted a conflict of interest policy, a copy of which has been provided to you. The Corporation is a Connecticut nonstock corporation and an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

As described in the policy, the Corporation's officers, key employees,[§] directors and committee members (collectively, "Officials") owe a duty of care and a duty of loyalty to the corporation served.

The duty of care requires Officials to be diligent in fulfilling their duties, to act reasonably, in the best interests of the entity, to remain informed, and to exercise independent judgment.

The duty of loyalty requires Officials to refrain from using that Officials' position, including access to sensitive information, for personal gain. The duty of loyalty requires Officials to protect the confidences of the Corporation, and to refrain from engaging in transactions that would create a conflict of interest or the appearance of a conflict of interest on the part of the Corporation.

Officials may have a conflict of interest in a transaction or arrangement if that Official (or certain persons or entities related to that Official) has a material financial interest in the transaction or arrangement. A material financial interest is a direct or indirect financial interest in a transaction that would reasonably be expected to impair the objectivity of the Official when asked to authorize the transaction or arrangement.

As a charitable organization, the Corporation is responsible for extensive reporting to the Internal Revenue Service of relationships that may give rise to a conflict of interest. To promote the sound administration of the Corporation's policies, and to allow the Corporation to continue to

[§] A "key employee" for purposes of reporting on Form 990 is an employee of the Corporation who is compensated by the Corporation (or a related organization) more than \$150,000 annually and whose responsibilities, powers or influence over the Corporation are similar to that of an officer or director, who has management responsibilities for a segment of the Corporation's activities that represent 10% or more of the Corporation's overall activities, assets, income or expenses or who has authority, or shares authority, to control or determine 10% or more of the Corporation's capital expenditures, operating budget, or compensation for employees. The Corporation will identify those employees who are key employees and make such individuals aware of their status under this policy.

meet their reporting responsibilities, all Officials of the Corporation are asked to respond to an annual disclosure that helps identify possible conflicts of interest.

Enclosed please find an annual disclosure form for the Corporation. Please carefully consider whether any disclosures with respect to the Corporation are appropriate. Please also keep in mind that each Official of the Corporation has an ongoing responsibility to disclose potential conflicts of interest as they may arise.

When in doubt, we urge you to err on the side of disclosure. If you have any questions or wish to review the full conflict of interest policy separately adopted by the Corporation, please contact Tom Vos, Chairman of the Board, at 203-372-3521.

Thank you for your cooperation in maintaining our high ethical standards.

THE DISCOVERY MUSEUM, INC.

Annual Disclosure Statement

1. Have you, or to your knowledge has a Family Member** or a Related Person,†† directly or indirectly, (i) maintained any business transactions with, or received any loans from, the Corporation, or (ii) received any compensation, grants, gifts or other benefits from the Corporation, or any person seeking to do or doing business with the Corporation? Examples of a business transaction may include a purchase or sale, lease, contractual arrangement, performance of services or participation in a joint venture.

Yes

No

If so, please describe the nature of the business transaction, compensation arrangement, or any other benefit, and the identities of each of the parties involved. If the applicable arrangement concerns a Related Person, please describe how the person or entity is related to you. If more than one relationship must be disclosed, please number the relationships.

2. To the best of your knowledge, do you have a business‡‡ or family relationship with any

** A Family Member is a spouse, living ancestor, sibling (whether by whole or half blood), child (natural or adopted), grandchild, great-grandchild, or spouses of siblings, children, grandchildren or great-grandchildren.

†† A Related Person includes:

- (a) a Family Member;
- (b) a person with whom you are living;
- (c) a trust or estate in which a Family Member or anyone mentioned in (b) is a substantial beneficiary;
- (d) any entity (other than the Corporation or an entity controlled by the Corporation) controlled by you, by a Family Member, or any person mentioned in (b) or (c);
- (e) any domestic or foreign business or nonprofit corporation (other than the Corporation or an entity controlled by the Corporation) of which you are a director, or unincorporated entity of which you are a general partner or a member of the governing body;
- (f) any individual, trust or estate for whom or of which you are a trustee, guardian, personal representative or like fiduciary; or
- (g) any person or entity that is controlled by your employer.

‡‡ A business relationship is defined as:

1. One person is employed by the other in a sole proprietorship or by an organization with which the other is associated as a trustee, director, officer, key employee, or greater than 35% owner.
2. One person is transacting business with the other (other than in the ordinary course of either party's business on the same terms as are generally offered to the public), directly or indirectly, in one or more

other current director, officer or employee of the Corporation?

Yes No

Please describe the exact nature of any family relationships or business relationships or transactions, and the parties involved. If more than one relationship or transaction must be disclosed, please number the relationships and transactions.

3. Do you, or to your knowledge, does a Family Member, serve as an officer, employee, or member of the governing body of an entity which has in the past year applied, or which you anticipate may apply, for funding from or engage in a business transaction with the Corporation?

Yes No

Please list the applicable entity or entities, and the position held by you or your Family Member:

In signing this statement, I understand that the Corporation is a charitable organization that, in order to maintain its exempt status under the Internal Revenue Code, must engage primarily in

contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of \$10,000 in the aggregate during the organization's tax year. Indirect transactions include transactions with an organization with which one person is associated as a trustee, director, officer, key employee, or greater than 35% owner.

3. The two persons are each a director, trustee, officer, or greater than 10% owner in the same business or investment entity.

"Ownership" is measured by stock ownership (either voting power or value) of a corporation, profits or capital interest in a partnership or limited liability company, membership interest in a nonprofit organization, or beneficial interest in a trust. Ownership includes indirect ownership (e.g., ownership in an entity that has ownership in the entity in question); there can be ownership through multiple tiers of entities.

activities which accomplish one or more of its tax-exempt purposes and do not confer a private benefit upon me or related persons.

I agree to exercise particular caution whenever it may appear that I am engaging in political activities that may be associated with the Corporation and will consult with the Chair prior to any such activity. Additionally, I acknowledge that I have a duty of loyalty that encompasses my responsibility not to disclose confidential information of the Corporation. In light of this acknowledgment, I agree to hold confidential all information acquired pertaining to the Corporation in the course of my service to the Corporation in the strictest confidence.

Name (please print)

Trustee
Position

Date

Signature

Thank you for your cooperation in completing this disclosure form. Please return the form or refer any questions to:

Tom Vos
Chairman of the Board
The Discovery Museum, Inc.
4450 Park Avenue
Bridgeport, CT 06604