

Policy on Conflicts of Interest and Disclosure of Certain Interests

This conflict of interest policy is designed to help directors, officers and employees of the Osteopathic Founders Foundation (THE FOUNDATION) identify situations that present potential conflicts of interest and to provide THE FOUNDATION with a procedure which, if observed, will allow a transaction to be treated as valid and binding even though a director, officer or employee has or may have a conflict of interest with respect to the transaction. This policy is intended to supplement but not replace any applicable state or federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

1. **Conflict of Interest Defined.** For purposes of this policy, the following circumstances shall be deemed to create Conflicts of Interest:

a. **Outside Interests.**

- i. A Contract or Transaction between THE FOUNDATION and a Responsible Person or Family Member.
- ii. A Contract or Transaction between THE FOUNDATION and an entity in which a Responsible Person or Family Member has a Material Financial Interest or of which such person is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative.

b. **Gifts, Gratuities and Entertainment.** A Responsible Person accepting gifts, entertainment or other favors from any individual or entity that:

- i. does or is seeking to do business with THE FOUNDATION or
- ii. has received, is receiving or is seeking to receive a loan or grant, or to secure other financial commitments from THE FOUNDATION;
- iv. under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of THE FOUNDATION.

2. Definitions.

- a. A "Conflict of Interest" is any circumstance described in Part 1 of this Policy.
- b. A "Responsible Person" is any person serving as an officer, key employee or member of the Board of Directors of THE FOUNDATION.
- c. A "Family Member" is a spouse, domestic partner, parent, child or spouse of a brother or sister, of a Responsible Person.
- d. A "Material Financial Interest" in an entity is a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect a Responsible Person's or Family Member's judgment with respect to transactions to which the entity is a party. This includes all forms of compensation.
- e. A "Contract or Transaction" is any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant, the establishment of any other type of pecuniary relationship, or review of a charitable organization by THE FOUNDATION. The making of a gift to THE FOUNDATION is not a Contract or Transaction.

3. Procedures.

- a. Prior to board or committee action on a Contract or Transaction involving a Conflict of Interest, a director or committee member having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.
- b. A director or committee member who plans not to attend a meeting at which he or she has reason to believe that the board or committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
- c. A person who has a Conflict of Interest shall not participate in or be permitted to hear the board's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- d. A person who has a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a conflict of interest may not vote on the Contract or Transaction and

shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.

4. **Confidentiality.** Each Responsible Person shall exercise care not to disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of THE FOUNDATION. Furthermore, a Responsible Person shall not disclose or use information relating to the business of THE FOUNDATION for the personal profit or advantage of the Responsible Person or a Family Member.

5. **Review of policy.**

- a. Each new Responsible Person shall be required to review a copy of this policy and to acknowledge in writing that he or she has done so.
- b. Each Responsible Person shall annually complete a disclosure form identifying any relationships, positions or circumstances in which the Responsible Person is involved that he or she believes could contribute to a Conflict of Interest arising. Such relationships, positions or circumstances might include service as a director of or consultant to a nonprofit organization, or ownership of a business that might provide goods or services to THE FOUNDATION. Any such information regarding business interests of a Responsible Person or a Family Member shall be treated as confidential and shall generally be made available only to the Chair, the President, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.
- c. This policy shall be reviewed annually by each member of the Board of Directors. Any changes to the policy shall be communicated immediately to all Responsible Persons.

OSTEOPATHIC FOUNDERS FOUNDATION
CONFLICT OF INTEREST INFORMATION FORM

Please describe below any relationships, positions, or circumstances in which you are involved that you believe could contribute to a Conflict of Interest (as defined in THE FOUNDATION's Policy on Conflicts of Interest) arising.

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by, the Policy of Conflict of Interest of The Osteopathic Founders Foundation that is currently in effect.

Signature: _____ Date: _____