

MASSACHUSETTS DENTAL SOCIETY

CONFLICT OF INTEREST POLICY

ARTICLE I

PURPOSE

The purpose of this Conflict of Interest Policy (this “**Policy**”) is to protect the interests of the Massachusetts Dental Society (the “**Society**”) when it is considering a transaction, arrangement, or decision that might benefit or compete with the private or professional interest of (i) an officer of the Society, (ii) a member of the Board of Trustees (“**Trustee**”), (iii) a member of any Committee of the Society (“**Committee Member**”), or (iv) a key employee of the Society (the persons in (i)-(iv), collectively, “**Covered Persons**”). This policy is intended to supplement but not replace any applicable state laws governing conflict of interest applicable to nonprofit and charitable organizations.

ARTICLE II

DEFINITIONS

1. “**Conflict of Interest**”: Arises when, in the judgment of the Board of Trustees as determined under the procedures set forth in Article III, Section 2:
 - a) The outside interests or activities (such as Covered Interests) of a Covered Person interfere or compete with the Society’s interests;
 - b) The stake of a Covered Person in a transaction, arrangement, or decision is such that it reduces the likelihood that such person's influence can be exercised impartially in the best interests of the Society; and/or
 - c) A Covered Person has divided loyalties.
2. “**Covered Interest**”: Exists when a Covered Person has directly, or indirectly through business, investment, or Family:
 - a) An ownership or investment interest in any Mutual Person;
 - b) A compensation arrangement with any Mutual Person;
 - c) A potential ownership or investment interest in, or compensation arrangement with, any Mutual Person; or
 - d) A legal commitment or financial interest, including by virtue of a board appointment, employment position, or volunteer arrangement, to act in the interests of any Mutual Person.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A Covered Interest is not necessarily a Conflict of Interest. Under Article III, Section 2, a person who has a Covered Interest may have a Conflict of Interest only if the Board of Trustees decides that a Conflict of Interest exists.

3. **“Interested Person”**: Any Covered Person who has a direct or indirect Covered Interest.
4. **“Family”**: An Interested Person’s (i) spouse (or spousal equivalent), (ii) ancestors, (iii) siblings (whether whole or half blood), (iv) children (whether natural or adopted), (v) grandchildren, (vi) great-grandchildren, and (vii) spouses (or spousal equivalent) of an Interested Person’s siblings, children, grandchildren, and great-grandchildren.
5. **“Mutual Person”**: Any entity or individual with which the Society has or is considering or negotiating a transaction or arrangement. A Mutual Person shall also include the Covered Person if such Covered Person proposes to enter into such transaction or arrangement directly with the Society.

ARTICLE III

PROCEDURES

1. Duty to Disclose

In connection with any actual or possible Conflict of Interest, an Interested Person must disclose the existence of their Covered Interest and all material facts to the Board of Trustees considering or discussing any matters relating to the Mutual Person giving rise to such Conflict of Interest, including any proposed transaction, arrangement, or decision with respect to such Mutual Person. The disclosure should be made prior to any consideration or discussion of any such matters by the Board of Trustees, or promptly after such person has knowledge of the relevant facts if they have no actual knowledge prior to the relevant action by the Board of Trustees.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the Covered Interest and all material facts, and after any discussion with the Interested Person, such Interested Person shall leave the Board of Trustees meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Trustees shall decide whether a Conflict of Interest exists.

If the remaining Trustees determine by majority vote that no Conflict of Interest exists, (i) no further review by the Board of Trustees of the Covered Interest is required if not ordinarily required in the normal course of business, and (ii) the Interested Person cleared of such Conflict of Interest shall be permitted to participate in any discussion or vote with respect to such matters relating to the Mutual Person if such Interested Person would ordinary be permitted to participate in the normal course of business. The discussion and determination of the existence of a Conflict of Interest shall be documented in accordance with the procedures outlined in Article IV below.

The determination that a Conflict of Interest exists shall not preclude the Board of Trustees (other than the conflicted Interested Person(s)) from approving the matter, but such determination shall require the Board of Trustees to follow the procedures outlined in Article III, Section 3 below.

3. **Procedures for Addressing the Conflict of Interest.** To address a Conflict of Interest, the Board of Trustees shall follow the procedures described in this Section 3:

- An Interested Person may make a presentation at the Board of Trustees meeting, but after such presentation, they shall leave the meeting during the discussion of, and the vote on, such matter giving rise to the Conflict of Interest.
- The Interested Person shall not attempt to intervene with or improperly influence the deliberations or voting on the matter giving rise to the Conflict of Interest.
- The President of the Society may, at their discretion, appoint a disinterested person or committee to investigate potential alternatives to the proposed transaction or arrangement.
- To the extent applicable, after exercising due diligence, the Board of Trustees shall determine whether the Society can obtain 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 attainable under circumstances that would not give rise to a Conflict of Interest, the Board of Trustees shall determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is (i) in the Society's best interest, (ii) for its own benefit, and (iii) fair and reasonable to the Society. In conformity with such determination, the Board of Trustees shall make its decision as to whether to enter into such transaction or arrangement.
- If, and to the extent that, the transaction or arrangement decision needs to be further approved or ratified by the House of Delegates pursuant to the Society's Constitution and Bylaws (the "**Bylaws**"), (i) the Conflict of Interest and all material facts related thereto shall be disclosed to the House of Delegates by a designee of the Board of Trustees (other than the Interested Person), and (ii) the transaction or arrangement must be approved by the House of Delegates (excluding the Interested Person) in good faith.

4. **Violations of the Conflict of Interest Policy**

- If the Board of Trustees has reasonable cause to believe that an Interested Person has failed to disclose actual or possible Conflicts of Interest, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

- If, after hearing the response of the Interested Person and making such further investigation as may be warranted under the circumstances, the Board of Trustees determines that the Interested Person has in fact 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 of Trustees shall contain:

- the names of the persons who disclosed or otherwise were found to have a Covered Interest in connection with an actual or possible Conflict of Interest, the nature of the Covered Interest, any action taken to determine whether a Conflict of Interest was present, and the Board of Trustees' decision as to whether a Conflict of Interest in fact existed, and
- the names of the persons who were present for discussions and votes relating to the transaction, arrangement, or decision, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

ARTICLE V

COMPENSATION

A voting Committee Member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Society for services is precluded from voting on matters pertaining to that member's compensation.

ARTICLE VI

ANNUAL STATEMENTS

Each Covered Person shall annually sign a statement (attached as Exhibit A) which affirms that such person:

- has received a copy of this Policy,;
- has read and understands the Policy,
- has agreed to comply with the Policy, and
- understands that the Society is a charitable organization and that, in order to maintain its federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

ARTICLE VII

INTERACTION WITH BYLAWS AND DISCLOSURE POLICY

This Policy is intended to supersede and replace the Society's Disclosure Policy in its entirety.

This Policy is intended to supplement the conflict of interest policy in Section 40 of Chapter VIII of the Bylaws (the "**Bylaws Conflict Policy**"). In the event of a direct conflict between this Policy and the Bylaws Conflict Policy, the Bylaws Conflict Policy shall govern solely with respect to such conflicting matter unless and until this Policy is ratified by the House of Delegates. It is the intent of the Board of Trustees to recommend to the House of Delegates that this Policy be ratified and replace the Bylaws Conflict Policy in its entirety.

The Board of Trustees expressly reserves the right to change, modify, or delete the provisions of this Policy without notice.

EXHIBIT A

**ANNUAL CONFLICT OF INTEREST DISCLOSURE AND
COMPLIANCE STATEMENT**

Please complete each question to the best of your knowledge. You may list your answers directly on this form, or you may provide your answers on a separate sheet of paper.

The following terms used in this statement have the following meanings:

"Society": Massachusetts Dental Society

"Entity": any corporation, limited liability company, trust, association, partnership, firm, or venture.

"Family": as defined in the Society's Conflict of Interest Policy.

"Covered Interest": as defined in the Society's Conflict of Interest Policy.

"Covered Persons": as defined in the Society's Conflict of Interest Policy.

Part I: Disclosure Statement

1. Covered Interest: Do you or any member of your Family have or plan to hold a Covered Interest?

No:

Yes:

If yes, please describe the Covered Interest.

2. Relationship with other Covered Persons: Do you have a family or business relationship with any other Covered Persons?

No:

Yes:

If yes, please describe the relationship.

3. Office in Other Entities: Do you or any member of your Family serve as an officer, director, trustee, key employee, partner, member, or shareholder of an entity having a relationship with the Society?

No:

Yes:

If yes, please list the name of each entity, the position held, and the term of office/role.

Part II: Compliance Statement

I acknowledge that I have received and read a copy of the Society's current Conflict of Interest Policy (the "Policy"). I agree to comply with the Policy and understand that I have the continuing responsibility to abide by the Policy. I understand that the organization is charitable and that in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

I do not, and to my knowledge my Family does not, have any conflicts of interest as described in the Policy, except as may be noted above. I will update this Statement promptly upon becoming aware of any inaccuracy or incompleteness to this information.

Signature

Title

Name (Please Print)

Date